

Summary of Consolidated Business Results of Tokio Marine Holdings, Inc. under Japanese GAAP for the three months ended June 30, 2019



MEMBERSHIP
August 9, 2019

Company Name: Tokio Marine Holdings, Inc. (the "Company")
Securities Code Number: 8766
(URL: <https://www.tokiomarinehd.com/en/>)
Representative: Satoru Komiya, President
Contact: Tetsuya Hirano, Corporate Planning Dept. (Tel: 03-5223-3212)
Scheduled date to file Quarterly Securities Report: August 9, 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 three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)

(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, 2019	1,394,119	(0.2)	150,058	8.7	112,714	10.8
Three months ended June 30, 2018	1,397,538	(0.1)	138,056	11.7	101,742	15.5

(Note) Comprehensive income:

Three months ended June 30, 2019	148,202 million yen	- %
Three months ended June 30, 2018	(62,056) million yen	- %

	Net income per share - Basic	Net income per share - Diluted
	yen	yen
Three months ended June 30, 2019	159.58	159.46
Three months ended June 30, 2018	140.35	140.24

(2) Consolidated Financial Conditions

	Total assets	Net assets	Ratio of equity capital to total assets
	million yen	million yen	%
As of June 30, 2019	23,154,708	3,686,537	15.8
As of March 31, 2019	22,531,402	3,603,741	15.9

(Reference) Equity capital:

As of June 30, 2019	3,656,498 million yen
As of March 31, 2019	3,574,233 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 2018	-	160.00	-	90.00	250.00
Fiscal year 2019	-	-	-	-	-
Fiscal year 2019 (Forecast)	-	95.00	-	95.00	190.00

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

2. Fiscal year 2018 Breakdown for Annual total Ordinary dividend 180 yen One-time dividend for the capital level adjustment(*) 70 yen
Fiscal year 2019 (Forecast) Breakdown for Annual total Ordinary dividend 190 yen One-time dividend for the capital level adjustment(*) -

(*)The Company resolves the one-time dividend for flexible capital level adjustments.

3. Consolidated Business Forecasts for the fiscal year 2019 (April 1, 2019 to March 31, 2020)

(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 2019	455,000	9.3	325,000	18.4	460.46

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

*** Notes**

(1) Changes in significant subsidiaries during the three months ended June 30, 2019

(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, 2019 710,000,000 shares

As of March 31, 2019 710,000,000 shares

(b) Number of treasury stock held

As of June 30, 2019 4,350,656 shares

As of March 31, 2019 3,443,216 shares

(c) Average number of shares outstanding

During the three months ended June 30, 2019 706,306,037 shares

During the three months ended June 30, 2018 724,899,831 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. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheet

(Yen in millions)

	As of March 31, 2019	As of June 30, 2019
Assets		
Cash and bank deposits	851,657	742,111
Call loans	-	1
Receivables under resale agreements	999	999
Receivables under securities borrowing transactions	9,084	2,487
Monetary receivables bought	1,468,952	1,621,763
Money trusts	2,156	2,164
Securities	16,502,611	16,813,472
Loans	932,167	1,164,208
Tangible fixed assets	293,257	301,391
Intangible fixed assets	767,598	747,213
Other assets	1,664,969	1,721,216
Net defined benefit assets	17,515	17,591
Deferred tax assets	29,511	29,288
Customers' liabilities under acceptances and guarantees	2,230	2,230
Allowance for doubtful accounts	(11,308)	(11,433)
Total assets	22,531,402	23,154,708
Liabilities		
Insurance liabilities	16,416,905	16,666,855
Outstanding claims	2,863,815	2,869,812
Underwriting reserves	13,553,090	13,797,042
Corporate bonds	57,514	57,364
Other liabilities	1,692,804	2,010,980
Net defined benefit liabilities	254,430	256,208
Provision for employees' bonus	61,371	38,631
Reserves under special laws	108,457	110,432
Reserve for price fluctuation	108,457	110,432
Deferred tax liabilities	294,805	288,884
Negative goodwill	39,140	36,583
Acceptances and guarantees	2,230	2,230
Total liabilities	18,927,661	19,468,171
Net assets		
Shareholders' equity		
Share capital	150,000	150,000
Retained earnings	1,742,188	1,790,006
Treasury stock	(18,299)	(23,299)
Total shareholders' equity	1,873,889	1,916,707
Accumulated other comprehensive income		
Unrealized gains (losses) on available-for-sale securities	1,676,369	1,700,590
Deferred gains (losses) on hedge transactions	9,472	11,101
Foreign currency translation adjustments	24,892	37,802
Remeasurements of defined benefit plans	(10,389)	(9,703)
Total accumulated other comprehensive income	1,700,344	1,739,791
Stock acquisition rights	2,479	1,884
Non-controlling interests	27,027	28,154
Total net assets	3,603,741	3,686,537
Total liabilities and net assets	22,531,402	23,154,708

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

(Yen in millions)

	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)	Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)
Ordinary income	1,397,538	1,394,119
Underwriting income	1,191,999	1,177,277
Net premiums written	920,890	905,422
Deposit premiums from policyholders	23,866	20,915
Investment income on deposit premiums	10,638	10,333
Life insurance premiums	235,719	239,691
Investment income	176,859	187,065
Interest and dividends	126,883	137,856
Gains on money trusts	36	8
Gains on trading securities	-	7,727
Gains on sales of securities	53,117	49,723
Gains on redemption of securities	56	195
Gains on derivatives	3,273	-
Investment gains on separate accounts	1,656	520
Transfer of investment income on deposit premiums	(10,638)	(10,333)
Other ordinary income	28,678	29,777
Amortization of negative goodwill	2,557	2,557
Ordinary expenses	1,259,481	1,244,061
Underwriting expenses	1,024,589	1,002,122
Net claims paid	461,935	455,447
Loss adjustment expenses	34,704	35,023
Agency commissions and brokerage	177,709	173,770
Maturity refunds to policyholders	31,769	30,462
Dividends to policyholders	9	6
Life insurance claims	134,731	121,533
Provision for outstanding claims	23,651	201
Provision for underwriting reserves	156,703	182,670
Investment expenses	16,553	19,135
Losses on money trusts	1,820	-
Losses on trading securities	5,659	-
Losses on sales of securities	2,152	3,725
Impairment losses on securities	810	1,984
Losses on redemption of securities	40	131
Losses on derivatives	-	3,964
Operating and general administrative expenses	211,269	216,393
Other ordinary expenses	7,069	6,410
Interest expenses	3,869	4,512
Increase in allowance for doubtful accounts	21	6
Losses on bad debts	20	30
Equity in losses of affiliates	1,288	1,074
Amortization of deferred assets under Article 113 of the Insurance Business Act	956	-
Ordinary profit	138,056	150,058

(Yen in millions)

	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)	Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)
Extraordinary gains	103	56
Gains on disposal of fixed assets	17	52
Other extraordinary gains	86	4
Extraordinary losses	2,011	2,280
Losses on disposal of fixed assets	122	209
Impairment losses on fixed assets	0	96
Provision for reserves under special laws	1,889	1,975
Provision for reserve for price fluctuation	1,889	1,975
Income before income taxes and non-controlling interests	136,147	147,834
Income taxes - current	43,662	48,900
Income taxes - deferred	(9,665)	(14,483)
Total income taxes	33,997	34,416
Net income	102,150	113,417
Net income attributable to non-controlling interests	407	703
Net income attributable to owners of the parent	101,742	112,714

(Consolidated Statement of Comprehensive Income)

(Yen in millions)

	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)	Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)
Net income	102,150	113,417
Other comprehensive income		
Unrealized gains (losses) on available-for-sale securities	(35,499)	20,358
Deferred gains (losses) on hedge transactions	(2,221)	1,068
Foreign currency translation adjustments	(124,850)	13,629
Remeasurements of defined benefit plans	588	687
Share of other comprehensive income of affiliates accounted for by the equity method	(2,224)	(960)
Total other comprehensive income	(164,206)	34,784
Total comprehensive income	(62,056)	148,202
Comprehensive income attributable to:		
Owners of the parent	(61,265)	146,960
Non-controlling interests	(791)	1,241

(3) Notes regarding going concern assumption

Not applicable.

(4) Notes regarding significant changes in shareholders' equity

Not applicable.

(5) Additional Information

Consolidated overseas subsidiaries that apply US GAAP have adopted Accounting Standards Update 2016-01: Recognition and Measurement of Financial Assets and Financial Liabilities (hereinafter referred to as "ASU 2016-01") issued by the Financial Accounting Standards Board from the beginning of the fiscal year 2019.

ASU 2016-01 requires equity investments (except those accounted for under the equity method of accounting or those that result in consolidation of the investee) to be measured at fair value with changes in fair value recognized in net income or loss. In accordance with ASU 2016-01, the Company has recognized the changes in fair value for certain equity investments in net income or loss from the beginning of the fiscal year 2019, which were previously recognized in Other comprehensive income. The Company has reclassified Unrealized losses on available-for-sale securities (3,565 million yen) to Retained earnings at the beginning of the fiscal year 2019, and certain securities that were classified in Available-for-sale securities at the end of the fiscal year 2018 (65,355 million yen) have been included in Trading securities.

The impacts to Ordinary profit and Income before income taxes and non-controlling interests for the three months ended June 30, 2019 are immaterial.

2. Others

(1) Summary of Consolidated Business Results

(Yen in millions)

	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)	Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)	Increase (Decrease)	Rate of change
Ordinary income and expenses				%
Underwriting income	1,191,999	1,177,277	(14,722)	(1.2)
Net premiums written	920,890	905,422	(15,468)	(1.7)
Deposit premiums from policyholders	23,866	20,915	(2,951)	(12.4)
Life insurance premiums	235,719	239,691	3,971	1.7
Underwriting expenses	1,024,589	1,002,122	(22,467)	(2.2)
Net claims paid	461,935	455,447	(6,488)	(1.4)
Loss adjustment expenses	34,704	35,023	319	0.9
Agency commissions and brokerage	177,709	173,770	(3,939)	(2.2)
Maturity refunds to policyholders	31,769	30,462	(1,307)	(4.1)
Life insurance claims	134,731	121,533	(13,197)	(9.8)
Provision for outstanding claims	23,651	201	(23,449)	(99.1)
Provision for underwriting reserves	156,703	182,670	25,966	16.6
Investment income	176,859	187,065	10,205	5.8
Interest and dividends	126,883	137,856	10,973	8.6
Gains on money trusts	36	8	(28)	(78.1)
Gains on trading securities	-	7,727	7,727	-
Gains on sales of securities	53,117	49,723	(3,393)	(6.4)
Gains on derivatives	3,273	-	(3,273)	(100.0)
Investment gains on separate accounts	1,656	520	(1,136)	(68.6)
Investment expenses	16,553	19,135	2,581	15.6
Losses on money trusts	1,820	-	(1,820)	(100.0)
Losses on trading securities	5,659	-	(5,659)	(100.0)
Losses on sales of securities	2,152	3,725	1,572	73.1
Impairment losses on securities	810	1,984	1,174	145.0
Losses on derivatives	-	3,964	3,964	-
Operating and general administrative expenses	211,269	216,393	5,124	2.4
Other ordinary income and expenses	21,608	23,366	1,757	8.1
Equity in earnings (losses) of affiliates	(1,288)	(1,074)	213	-
Ordinary profit	138,056	150,058	12,002	8.7
Extraordinary gains and losses				
Extraordinary gains	103	56	(46)	(44.8)
Extraordinary losses	2,011	2,280	269	13.4
Extraordinary gains (losses)	(1,908)	(2,223)	(315)	-
Income before income taxes and non-controlling interests	136,147	147,834	11,686	8.6
Income taxes - current	43,662	48,900	5,237	12.0
Income taxes - deferred	(9,665)	(14,483)	(4,818)	-
Total income taxes	33,997	34,416	419	1.2
Net income	102,150	113,417	11,267	11.0
Net income attributable to non-controlling interests	407	703	295	72.6
Net income attributable to owners of the parent	101,742	112,714	10,971	10.8

(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, 2018 (April 1, 2018 to June 30, 2018)			Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	146,261	15.1	0.2	160,519	15.8	9.7
Hull and cargo	28,796	3.0	3.2	30,803	3.0	7.0
Personal accident	92,943	9.6	(3.1)	90,860	8.9	(2.2)
Voluntary automobile	354,607	36.6	0.9	363,260	35.7	2.4
Compulsory automobile liability	70,115	7.2	(5.5)	74,485	7.3	6.2
Others	276,637	28.5	1.9	296,556	29.2	7.2
Total	969,361	100.0	0.3	1,016,484	100.0	4.9
Deposit premiums from policyholders	23,866	2.5	(13.6)	20,915	2.1	(12.4)

(Note) Direct premiums written including Deposit premiums from policyholders = Gross premiums written - (Surrender benefits of direct policies + Other refunds of direct policies including Deposit premiums from policyholders)

Net premiums written

(Yen in millions)

	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)			Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	136,210	14.8	6.9	126,832	14.0	(6.9)
Hull and cargo	30,108	3.3	3.9	29,536	3.3	(1.9)
Personal accident	70,914	7.7	0.7	69,452	7.7	(2.1)
Voluntary automobile	363,116	39.4	(1.3)	364,156	40.2	0.3
Compulsory automobile liability	65,111	7.1	(12.9)	68,901	7.6	5.8
Others	255,429	27.7	2.3	246,543	27.2	(3.5)
Total	920,890	100.0	0.2	905,422	100.0	(1.7)

Net claims paid

(Yen in millions)

	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)			Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	79,611	17.2	22.6	70,252	15.4	(11.8)
Hull and cargo	13,070	2.8	(4.2)	14,315	3.1	9.5
Personal accident	26,573	5.8	17.4	26,201	5.8	(1.4)
Voluntary automobile	194,871	42.2	2.4	193,221	42.4	(0.8)
Compulsory automobile liability	53,329	11.5	0.6	49,976	11.0	(6.3)
Others	94,478	20.5	(1.0)	101,480	22.3	7.4
Total	461,935	100.0	5.0	455,447	100.0	(1.4)

(3) Securities

1. Bonds held to maturity

(Yen in millions)

	As of March 31, 2019			As of June 30, 2019		
	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	4,633,859	5,522,062	888,203	4,751,520	5,769,397	1,017,876
Foreign securities	40,210	40,379	168	42,014	45,197	3,182
Total	4,674,069	5,562,441	888,372	4,793,535	5,814,594	1,021,058

2. Bonds earmarked for underwriting reserves

(Yen in millions)

	As of March 31, 2019			As of June 30, 2019		
	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	363,588	383,613	20,025	638,842	683,768	44,926
Foreign securities	13,442	13,537	94	12,602	12,885	283
Total	377,030	397,151	20,120	651,444	696,654	45,210

3. Available-for-sale securities

(Yen in millions)

	As of March 31, 2019			As of June 30, 2019		
	Cost	Fair value shown on balance sheet	Unrealized gains (losses)	Cost	Fair value shown on balance sheet	Unrealized gains (losses)
Domestic debt securities	3,427,380	3,887,659	460,278	3,441,863	3,944,582	502,719
Domestic equity securities	598,507	2,383,165	1,784,657	585,562	2,254,625	1,669,063
Foreign securities	4,233,512	4,325,803	92,290	4,210,667	4,388,074	177,407
Others	1,498,845	1,492,008	(6,837)	1,637,721	1,649,522	11,801
Total	9,758,246	12,088,637	2,330,390	9,875,814	12,236,805	2,360,991

(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, 2019: cost 5,424 million yen, fair value 5,424 million yen

As of June 30, 2019: cost 10,225 million yen, fair value 10,225 million yen

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

As of March 31, 2019: cost 1,475,313 million yen, fair value 1,467,460 million yen, unrealized losses (7,852) million yen

As of June 30, 2019: cost 1,609,233 million yen, fair value 1,619,816 million yen, unrealized gains 10,582 million yen

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

-Fiscal year 2018: 11,018 million yen (Domestic equity securities 4,322 million yen, Foreign securities 5,294 million yen, Others 1,401 million yen)

-Three months ended June 30, 2019: 2,892 million yen (Domestic equity securities 1,663 million yen, Foreign securities 281 million yen, Others 947 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) 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, 2019		As of June 30, 2019		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
Assets		%		%	
Cash and bank deposits	419,530	4.47	306,930	3.29	(112,599)
Receivables under resale agreements	999	0.01	999	0.01	(0)
Monetary receivables bought	101,536	1.08	250,287	2.68	148,750
Money trusts	2,156	0.02	2,164	0.02	8
Securities	7,803,911	83.08	7,741,252	82.97	(62,659)
Loans	135,094	1.44	135,884	1.46	790
Tangible fixed assets	211,184	2.25	208,234	2.23	(2,949)
Intangible fixed assets	523	0.01	523	0.01	(0)
Other assets	711,622	7.58	678,281	7.27	(33,341)
Prepaid pension costs	7,567	0.08	7,129	0.08	(438)
Customers' liabilities under acceptances and guarantees	2,230	0.02	2,230	0.02	-
Allowance for doubtful accounts	(3,318)	(0.04)	(3,237)	(0.03)	81
Total assets	9,393,039	100.00	9,330,682	100.00	(62,356)
Liabilities					
Insurance liabilities	5,288,084	56.30	5,333,881	57.16	45,797
Outstanding claims	975,348		963,744		(11,603)
Underwriting reserves	4,312,735		4,370,136		57,401
Corporate bonds	10,100	0.11	10,100	0.11	-
Other liabilities	736,572	7.84	719,516	7.71	(17,055)
Income taxes payable	27,691		30,006		2,314
Lease obligations	3,020		2,990		(29)
Asset retirement obligations	3,450		3,462		11
Other liabilities	702,408		683,057		(19,351)
Provision for retirement benefits	209,059	2.23	210,556	2.26	1,497
Provision for employees' bonus	14,737	0.16	7,190	0.08	(7,547)
Reserves under special laws	96,859	1.03	98,230	1.05	1,371
Reserve for price fluctuation	96,859		98,230		1,371
Deferred tax liabilities	146,344	1.56	111,933	1.20	(34,411)
Acceptances and guarantees	2,230	0.02	2,230	0.02	-
Total liabilities	6,503,988	69.24	6,493,639	69.59	(10,348)
Net assets					
Share capital	101,994	1.09	101,994	1.09	-
Capital surplus	133,625	1.42	133,625	1.43	-
Additional paid-in capital	123,521		123,521		-
Other capital surplus	10,104		10,104		-
Retained earnings	1,185,780	12.62	1,189,405	12.75	3,625
Surplus reserve	81,099		81,099		-
Other retained earnings	1,104,681		1,108,306		3,625
Reserve for special depreciation	10		10		-
Reserve for advanced depreciation of fixed assets	23,963		23,963		-
Special reserves	235,426		235,426		-
Retained earnings carried forward	845,281		848,906		3,625
Total shareholders' equity	1,421,401	15.13	1,425,026	15.27	3,625
Unrealized gains (losses) on available-for-sale securities	1,479,305	15.75	1,416,610	15.18	(62,694)
Deferred gains (losses) on hedge transactions	(11,655)	(0.12)	(4,593)	(0.05)	7,062
Total valuation and translation adjustments	1,467,649	15.62	1,412,017	15.13	(55,632)
Total net assets	2,889,050	30.76	2,837,043	30.41	(52,007)
Total liabilities and net assets	9,393,039	100.00	9,330,682	100.00	(62,356)

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

Statement of income

(Yen in millions)

	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)	Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)	Increase (Decrease)
Ordinary income	678,277	702,322	24,044
Underwriting income	586,992	611,004	24,011
Net premiums written	551,203	568,942	17,738
Deposit premiums from policyholders	23,402	20,525	(2,877)
Investment income on deposit premiums	10,212	9,893	(318)
Reversal of outstanding claims	2,155	11,603	9,448
Investment income	88,836	88,552	(283)
Interest and dividends	51,928	55,320	3,391
Gains on money trusts	36	8	(28)
Gains on sales of securities	44,902	42,919	(1,982)
Transfer of investment income on deposit premiums	(10,212)	(9,893)	318
Other ordinary income	2,448	2,765	316
Ordinary expenses	576,750	601,759	25,009
Underwriting expenses	490,801	513,883	23,081
Net claims paid	293,216	293,997	780
Loss adjustment expenses	27,297	26,984	(312)
Agency commissions and brokerage	101,093	104,820	3,726
Maturity refunds to policyholders	30,370	29,506	(863)
Provision for underwriting reserves	38,617	57,401	18,784
Investment expenses	5,868	7,609	1,740
Losses on money trusts	1,820	-	(1,820)
Losses on sales of securities	127	660	532
Impairment losses on securities	268	1,529	1,260
Operating and general administrative expenses	77,954	77,893	(60)
Other ordinary expenses	2,126	2,373	247
Interest expenses	1,999	2,125	126
Ordinary profit	101,526	100,562	(964)
Extraordinary gains	13	33	20
Gains on disposal of fixed assets	6	33	26
Gains on liquidation of subsidiaries and affiliates	6	-	(6)
Extraordinary losses	1,469	1,536	66
Losses on disposal of fixed assets	120	165	44
Provision for reserves under special laws	1,349	1,371	21
Provision for reserve for price fluctuation	1,349	1,371	21
Income before income taxes	100,069	99,058	(1,010)
Income taxes - current	32,154	33,432	1,278
Income taxes - deferred	(9,588)	(13,546)	(3,957)
Total income taxes	22,566	19,886	(2,679)
Net income	77,503	79,172	1,668
Underwriting profit	25,878	28,714	2,836
Loss ratio (W/P basis)	58.1 %	56.4 %	(1.7)%
Expense ratio (W/P basis)	30.8	30.1	(0.7)
Combined ratio (W/P basis)	89.0	86.5	(2.5)
Loss ratio (private sector, E/I basis)	56.4	54.7	(1.7)
Expense ratio (private sector)	32.0	31.3	(0.6)
Combined ratio (private sector)	88.4	86.0	(2.3)

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, 2018 (April 1, 2018 to June 30, 2018)			Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	79,149	13.0	(1.4)	90,809	14.4	14.7
Hull and cargo	17,097	2.8	8.1	17,150	2.7	0.3
Personal accident	58,901	9.7	2.8	60,183	9.5	2.2
Voluntary automobile	271,168	44.5	0.4	272,870	43.3	0.6
Compulsory automobile liability	65,321	10.7	(5.5)	69,712	11.1	6.7
Others	117,571	19.3	5.6	119,796	19.0	1.9
Total	609,211	100.0	0.9	630,523	100.0	3.5
Deposit premiums from policyholders	23,402	-	(13.8)	20,525	-	(12.3)

Net premiums written

(Yen in millions)

	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)			Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	64,978	11.8	2.2	71,908	12.6	10.7
Hull and cargo	16,119	2.9	7.9	16,745	2.9	3.9
Personal accident	57,603	10.5	2.9	59,172	10.4	2.7
Voluntary automobile	270,561	49.1	0.4	272,447	47.9	0.7
Compulsory automobile liability	60,988	11.1	(12.7)	64,686	11.4	6.1
Others	80,950	14.7	4.0	83,982	14.8	3.7
Total	551,203	100.0	(0.1)	568,942	100.0	3.2

Net claims paid

(Yen in millions)

	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)			Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)		
	Amount	Rate of change	Loss ratio	Amount	Rate of change	Loss ratio
		%	%		%	%
Fire and allied lines	40,349	21.6	64.7	38,804	(3.8)	56.7
Hull and cargo	7,576	(1.4)	50.2	9,264	22.3	58.3
Personal accident	19,989	(1.4)	39.2	21,339	6.8	39.8
Voluntary automobile	141,987	2.1	58.1	143,203	0.9	58.2
Compulsory automobile liability	49,859	0.8	89.5	46,841	(6.1)	79.5
Others	33,454	1.6	44.5	34,542	3.3	43.9
Total	293,216	3.8	58.1	293,997	0.3	56.4

(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, 2019	As of June 30, 2019
(A) Total amount of solvency margin	4,891,588	4,946,472
Shareholders' equity less adjusting items	1,345,853	1,425,026
Reserve for price fluctuation	96,859	98,230
Contingency reserve	5,449	5,777
Catastrophe loss reserve	979,088	999,908
General allowance for doubtful accounts	240	162
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions before tax effect deductions	1,840,342	1,763,955
Unrealized gains (losses) on land	216,476	215,469
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	407,277	437,942
(B) Total amount of risks $\sqrt{(R_1+R_2)^2+(R_3+R_4)^2+R_5+R_6}$	1,185,150	1,145,430
General insurance risk (R ₁)	184,654	184,958
Third sector insurance risk (R ₂)	-	-
Assumed interest rate risk (R ₃)	20,092	19,742
Asset management risk (R ₄)	963,630	935,048
Business administration risk (R ₅)	26,522	25,738
Catastrophe risk (R ₆)	157,725	147,150
(C) Solvency margin ratio $[(A)/\{(B)\times 1/2\}]\times 100$	825.4%	863.6%

(Note) Solvency margin ratio as of June 30, 2019 is calculated partially based on the data as of March 31, 2019.

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

Balance sheet

(Yen in millions)

	As of March 31, 2019		As of June 30, 2019		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
Assets		%		%	
Cash and bank deposits	38,881	9.81	39,316	10.05	435
Securities	275,440	69.47	271,799	69.47	(3,640)
Loans	213	0.05	206	0.05	(7)
Tangible fixed assets	28,914	7.29	28,783	7.36	(131)
Intangible fixed assets	91	0.02	91	0.02	-
Other assets	38,371	9.68	35,410	9.05	(2,960)
Prepaid pension costs	1,540	0.39	1,576	0.40	36
Deferred tax assets	13,249	3.34	14,365	3.67	1,115
Allowance for doubtful accounts	(228)	(0.06)	(299)	(0.08)	(70)
Total assets	396,474	100.00	391,251	100.00	(5,223)
Liabilities					
Insurance liabilities	285,395	71.98	289,192	73.91	3,797
Outstanding claims	48,996		50,226		1,229
Underwriting reserves	236,398		238,966		2,567
Other liabilities	15,400	3.88	15,874	4.06	474
Income taxes payable	406		1,498		1,091
Asset retirement obligations	11		10		(0)
Other liabilities	14,982		14,365		(616)
Provision for retirement benefits	3,110	0.78	3,340	0.85	230
Provision for employees' bonus	534	0.13	-	-	(534)
Reserves under special laws	1,516	0.38	1,501	0.38	(15)
Reserve for price fluctuation	1,516		1,501		(15)
Total liabilities	305,957	77.17	309,909	79.21	3,951
Net assets					
Share capital	20,389	5.14	20,389	5.21	-
Capital surplus	15,518	3.91	15,518	3.97	-
Additional paid-in capital	12,620		12,620		-
Other capital surplus	2,898		2,898		-
Retained earnings	21,023	5.30	13,199	3.37	(7,824)
Surplus reserve	7,769		7,769		-
Other retained earnings	13,254		5,429		(7,824)
Reserve for advanced depreciation of fixed assets	1,678		1,678		-
Retained earnings carried forward	11,575		3,750		(7,824)
Total shareholders' equity	56,932	14.36	49,107	12.55	(7,824)
Unrealized gains (losses) on available-for-sale securities	33,585	8.47	32,234	8.24	(1,350)
Total valuation and translation adjustments	33,585	8.47	32,234	8.24	(1,350)
Total net assets	90,517	22.83	81,341	20.79	(9,175)
Total liabilities and net assets	396,474	100.00	391,251	100.00	(5,223)

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

Statement of income

(Yen in millions)

	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)	Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)	Increase (Decrease)
Ordinary income	39,788	39,294	(494)
Underwriting income	39,264	38,660	(604)
Net premiums written	36,857	37,831	974
Deposit premiums from policyholders	464	390	(73)
Investment income on deposit premiums	422	435	12
Reversal of outstanding claims	1,516	-	(1,516)
Investment income	503	607	104
Interest and dividends	923	851	(71)
Gains on sales of securities	0	99	99
Gains on redemption of securities	-	90	90
Transfer of investment income on deposit premiums	(422)	(435)	(12)
Other ordinary income	21	27	5
Ordinary expenses	35,997	38,098	2,100
Underwriting expenses	29,968	31,873	1,904
Net claims paid	19,540	17,852	(1,687)
Loss adjustment expenses	2,403	2,446	43
Agency commissions and brokerage	6,459	6,718	259
Maturity refunds to policyholders	1,399	955	(443)
Provision for outstanding claims	-	1,229	1,229
Provision for underwriting reserves	44	2,567	2,523
Investment expenses	65	261	195
Losses on sales of securities	0	0	(0)
Operating and general administrative expenses	5,950	5,876	(73)
Other ordinary expenses	12	86	73
Ordinary profit	3,791	1,196	(2,594)
Extraordinary gains	206	16	(190)
Gains on disposal of fixed assets	0	0	0
Reversal of reserves under special laws	1	15	14
Reversal of reserve for price fluctuation	1	15	14
Compensation for relocation	204	-	(204)
Extraordinary losses	16	1	(14)
Losses on disposal of fixed assets	16	1	(14)
Income before income taxes	3,981	1,211	(2,770)
Income taxes - current	1,586	1,002	(584)
Income taxes - deferred	(499)	(656)	(157)
Total income taxes	1,086	345	(741)
Net income	2,894	865	(2,029)
Underwriting profit	3,805	1,655	(2,150)
Loss ratio (W/P basis)	59.5 %	53.7 %	(5.9)%
Expense ratio (W/P basis)	33.4	33.0	(0.4)
Combined ratio (W/P basis)	92.9	86.6	(6.3)
Loss ratio (private sector, E/I basis)	53.2	56.9	3.7
Expense ratio (private sector)	34.1	33.7	(0.4)
Combined ratio (private sector)	87.3	90.6	3.3

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, 2018 (April 1, 2018 to June 30, 2018)			Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	6,736	17.0	7.3	7,567	18.4	12.3
Hull and cargo	-	-	-	-	-	-
Personal accident	2,234	5.6	(7.1)	2,148	5.2	(3.9)
Voluntary automobile	22,140	55.7	0.2	22,225	54.2	0.4
Compulsory automobile liability	4,794	12.1	(4.6)	4,773	11.6	(0.4)
Others	3,816	9.6	17.2	4,311	10.5	12.9
Total	39,723	100.0	1.7	41,025	100.0	3.3
Deposit premiums from policyholders	464	-	1.1	390	-	(15.9)

Net premiums written

(Yen in millions)

	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)			Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	4,760	12.9	11.1	5,177	13.7	8.8
Hull and cargo	(0)	(0.0)	(217.1)	0	0.0	-
Personal accident	2,218	6.0	(6.9)	2,132	5.6	(3.8)
Voluntary automobile	22,096	60.0	0.2	22,170	58.6	0.3
Compulsory automobile liability	4,055	11.0	(16.8)	4,136	10.9	2.0
Others	3,726	10.1	17.2	4,214	11.1	13.1
Total	36,857	100.0	0.2	37,831	100.0	2.6

Net claims paid

(Yen in millions)

	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)			Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)		
	Amount	Rate of change	Loss ratio	Amount	Rate of change	Loss ratio
		%	%		%	%
Fire and allied lines	3,576	41.7	78.2	2,552	(28.6)	52.6
Hull and cargo	0	(97.7)	-	0	523.3	2,472.8
Personal accident	964	0.7	47.4	756	(21.6)	39.8
Voluntary automobile	10,185	(0.3)	54.1	9,775	(4.0)	52.1
Compulsory automobile liability	3,404	(1.6)	91.1	3,066	(9.9)	80.6
Others	1,408	32.3	40.9	1,699	20.7	43.4
Total	19,540	7.2	59.5	17,852	(8.6)	53.7

(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, 2019	As of June 30, 2019
(A) Total amount of solvency margin	155,193	156,581
Shareholders' equity less adjusting items	48,241	49,107
Reserve for price fluctuation	1,516	1,501
Contingency reserve	-	-
Catastrophe loss reserve	60,962	62,296
General allowance for doubtful accounts	3	55
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions before tax effect deductions	41,414	39,786
Unrealized gains (losses) on land	1,150	1,593
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	1,903	2,241
(B) Total amount of risks $\sqrt{(R_1+R_2)^2+(R_3+R_4)^2+R_5+R_6}$	25,443	25,639
General insurance risk (R ₁)	12,807	12,850
Third sector insurance risk (R ₂)	-	-
Assumed interest rate risk (R ₃)	928	914
Asset management risk (R ₄)	12,488	11,850
Business administration risk (R ₅)	649	649
Catastrophe risk (R ₆)	6,245	6,876
(C) Solvency margin ratio $[(A)/\{(B)\times 1/2\}]\times 100$	1,219.9%	1,221.4%

(Note) Solvency margin ratio as of June 30, 2019 is calculated partially based on the data as of March 31, 2019.

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

Balance sheet

(Yen in millions)

	As of March 31, 2019		As of June 30, 2019		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
Assets		%		%	
Cash and bank deposits	45,384	90.25	45,186	90.20	(198)
Tangible fixed assets	93	0.19	144	0.29	50
Intangible fixed assets	0	0.00	0	0.00	-
Other assets	4,809	9.56	4,763	9.51	(45)
Allowance for doubtful accounts	(0)	(0.00)	(0)	(0.00)	0
Total assets	50,287	100.00	50,094	100.00	(193)
Liabilities					
Insurance liabilities	35,494	70.58	35,791	71.45	297
Outstanding claims	17,344		17,103		(241)
Underwriting reserves	18,150		18,688		538
Other liabilities	5,330	10.60	4,490	8.96	(839)
Income taxes payable	37		161		124
Suspense receipts	3,753		3,102		(651)
Lease obligations	12		17		5
Asset retirement obligations	50		48		(1)
Other liabilities	1,476		1,160		(316)
Provision for retirement benefits	215	0.43	227	0.45	11
Provision for employees' bonus	177	0.35	58	0.12	(118)
Deferred tax liabilities	0	0.00	0	0.00	(0)
Total liabilities	41,218	81.97	40,568	80.98	(650)
Net assets					
Share capital	29,303	58.27	29,303	58.50	-
Capital surplus	29,303	58.27	29,303	58.50	-
Additional paid-in capital	29,303		29,303		-
Retained earnings	(49,538)	(98.51)	(49,081)	(97.98)	456
Other retained earnings	(49,538)		(49,081)		456
Retained earnings carried forward	(49,538)		(49,081)		456
Total shareholders' equity	9,069	18.03	9,525	19.02	456
Total net assets	9,069	18.03	9,525	19.02	456
Total liabilities and net assets	50,287	100.00	50,094	100.00	(193)

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

Statement of income

(Yen in millions)

	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)	Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)	Increase (Decrease)
Ordinary income	7,831	8,388	557
Underwriting income	7,831	8,389	557
Net premiums written	7,651	8,143	492
Investment income on deposit premiums	3	4	0
Reversal of outstanding claims	176	241	64
Investment income	(3)	(3)	(0)
Interest and dividends	0	0	0
Transfer of investment income on deposit premiums	(3)	(4)	(0)
Other ordinary income	2	3	0
Ordinary expenses	8,018	7,782	(235)
Underwriting expenses	5,110	5,594	484
Net claims paid	3,950	4,390	440
Loss adjustment expenses	492	551	58
Agency commissions and brokerage	13	114	101
Provision for underwriting reserves	653	538	(115)
Operating and general administrative expenses	1,950	2,186	235
Other ordinary expenses	957	1	(955)
Interest expenses	0	0	(0)
Amortization of deferred assets under Article 113 of the Insurance Business Act	956	-	(956)
Ordinary profit (loss)	(186)	606	792
Extraordinary gains	-	4	4
Other extraordinary gains	-	4	4
Extraordinary losses	0	5	5
Losses on disposal of fixed assets	0	5	5
Income (loss) before income taxes	(186)	605	791
Income taxes - current	40	148	108
Income taxes - deferred	(0)	(0)	0
Total income taxes	39	148	108
Net income (loss)	(226)	456	683
Underwriting profit	771	608	(162)
Loss ratio (W/P basis)	58.1 %	60.7 %	2.6 %
Expense ratio (W/P basis)	25.7	28.3	2.6
Combined ratio (W/P basis)	83.7	88.9	5.2
Loss ratio (private sector, E/I basis)	59.8	61.8	2.0
Expense ratio (private sector)	25.9	28.5	2.6
Combined ratio (private sector)	85.7	90.3	4.6

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

Balance sheet

(Yen in millions)

	As of March 31, 2019		As of June 30, 2019		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
Assets		%		%	
Cash and bank deposits	73,472	0.99	67,298	0.87	(6,173)
Call loans	-	-	1	0.00	1
Receivables under securities borrowing transactions	9,084	0.12	2,487	0.03	(6,596)
Monetary receivables bought	138,998	1.88	112,998	1.45	(25,999)
Securities	6,934,724	93.89	7,357,464	94.71	422,740
Domestic government bonds	6,112,210		6,508,903		396,693
Domestic municipal bonds	25,348		28,824		3,475
Domestic corporate bonds	243,058		262,089		19,031
Domestic equity securities	166		158		(7)
Foreign securities	434,898		440,515		5,617
Others	119,042		116,973		(2,069)
Loans	96,219	1.30	97,847	1.26	1,628
Policy loans	96,219		97,847		1,628
Tangible fixed assets	1,135	0.02	1,215	0.02	79
Intangible fixed assets	27	0.00	27	0.00	-
Agency accounts receivable	478	0.01	289	0.00	(188)
Reinsurance accounts receivable	1,606	0.02	1,566	0.02	(39)
Other assets	131,031	1.77	127,970	1.65	(3,060)
Allowance for doubtful accounts	(821)	(0.01)	(746)	(0.01)	74
Total assets	7,385,957	100.00	7,768,423	100.00	382,465
Liabilities					
Insurance liabilities	6,602,207	89.39	6,691,621	86.14	89,414
Outstanding claims	64,634		69,412		4,778
Underwriting reserves	6,446,824		6,534,563		87,738
Reserve for dividends to policyholders	90,748		87,645		(3,103)
Agency accounts payable	5,764	0.08	4,195	0.05	(1,568)
Reinsurance accounts payable	2,062	0.03	1,921	0.02	(141)
Other liabilities	349,269	4.73	610,720	7.86	261,450
Payables under securities lending transactions	197,623		453,768		256,144
Income taxes payable	4,132		484		(3,648)
Lease obligations	107		189		81
Other liabilities	147,404		156,277		8,873
Provision for retirement benefits	6,940	0.09	7,297	0.09	356
Reserves under special laws	10,080	0.14	10,700	0.14	619
Reserve for price fluctuation	10,080		10,700		619
Deferred tax liabilities	30,755	0.42	43,457	0.56	12,701
Total liabilities	7,007,080	94.87	7,369,912	94.87	362,831
Net assets					
Share capital	55,000	0.74	55,000	0.71	-
Capital surplus	55,095	0.75	55,095	0.71	-
Additional paid-in capital	41,860		41,860		-
Other capital surplus	13,235		13,235		-
Retained earnings	47,749	0.65	36,362	0.47	(11,387)
Surplus reserve	13,140		13,140		-
Other retained earnings	34,609		23,222		(11,387)
Retained earnings carried forward	34,609		23,222		(11,387)
Total shareholders' equity	157,845	2.14	146,457	1.89	(11,387)
Unrealized gains (losses) on available-for-sale securities	211,705	2.87	239,716	3.09	28,011
Deferred gains (losses) on hedge transactions	9,326	0.13	12,335	0.16	3,009
Total valuation and translation adjustments	221,031	2.99	252,052	3.24	31,020
Total net assets	378,876	5.13	398,510	5.13	19,633
Total liabilities and net assets	7,385,957	100.00	7,768,423	100.00	382,465

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

Statement of income

(Yen in millions)

	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)	Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)	Increase (Decrease)
Ordinary income	243,724	234,079	(9,644)
Insurance premiums and other	213,567	207,047	(6,519)
Insurance premiums	210,998	204,902	(6,095)
Investment income	29,250	26,113	(3,136)
Interest and dividends	22,765	22,470	(294)
Gains on sales of securities	1,308	3,037	1,728
Gains on derivatives	3,440	-	(3,440)
Investment gains on separate accounts	1,656	520	(1,136)
Other ordinary income	907	918	11
Ordinary expenses	236,923	230,056	(6,866)
Insurance claims and other	124,007	99,074	(24,933)
Insurance claims	11,171	11,642	471
Annuity payments	16,143	15,339	(803)
Benefits	40,078	14,911	(25,166)
Surrender benefits	50,296	52,463	2,166
Other refunds	3,547	2,723	(824)
Provision for underwriting reserves and other	75,773	92,517	16,743
Provision for outstanding claims	4,000	4,778	777
Provision for underwriting reserves	71,772	87,738	15,965
Interest on reserve for dividends to policyholders	0	0	0
Investment expenses	5,882	6,730	847
Interest expenses	306	283	(22)
Losses on sales of securities	30	1	(29)
Losses on derivatives	-	2,646	2,646
Foreign exchange losses	5,544	3,798	(1,746)
Operating expenses	28,847	29,071	224
Other ordinary expenses	2,411	2,662	251
Ordinary profit	6,800	4,023	(2,777)
Extraordinary losses	542	620	78
Reversal of reserve for dividends to policyholders	242	1,949	1,706
Income before income taxes	6,501	5,351	(1,149)
Income taxes - current	715	1,000	285
Income taxes - deferred	1,230	638	(592)
Total income taxes	1,945	1,638	(306)
Net income	4,555	3,712	(842)

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, 2018 (April 1, 2018 to June 30, 2018)	Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)	Increase (Decrease)
Core operating profit	A	9,107	7,634	(1,472)
Capital gains		4,258	3,462	(795)
Gains on sales of securities		1,308	3,037	1,728
Gains on derivatives		2,949	-	(2,949)
Other capital gains		-	425	425
Capital losses		6,280	6,951	671
Losses on sales of securities		30	1	(29)
Losses on derivatives		-	3,140	3,140
Foreign exchange losses		5,544	3,798	(1,746)
Other capital losses		704	10	(693)
Net capital gains (losses)	B	(2,021)	(3,488)	(1,466)
Core operating profit including net capital gains (losses)	A+B	7,085	4,146	(2,939)
Non-recurring losses		284	123	(161)
Provision for contingency reserves		272	122	(150)
Increase in specific allowance for doubtful accounts		11	1	(10)
Net non-recurring income (losses)	C	(284)	(123)	161
Ordinary profit	A+B+C	6,800	4,023	(2,777)

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, 2019				As of June 30, 2019			
	Number of policies		Amount		Number of policies		Amount	
		% to March 31, 2018		% to March 31, 2018		% to March 31, 2019		% to March 31, 2019
Individual insurance	5,323	103.6	295,612	103.7	5,349	100.5	294,261	99.5
Individual annuities	532	93.8	22,837	91.9	526	98.8	22,482	98.4
Group insurance	-	-	22,660	95.1	-	-	22,654	100.0
Group annuities	-	-	32	98.6	-	-	31	98.4

New policies

(Number in thousands, yen in 100 millions)

	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)				Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)			
	Number of policies		Amount		Number of policies		Amount	
		% to Fiscal year 2017		% to Fiscal year 2017		% to Fiscal year 2018		% to Fiscal year 2018
Individual insurance	101	100.9	9,380	131.1	90	89.6	4,746	50.6
Individual annuities	-	-	-	-	-	-	-	-
Group insurance	-	-	21	43.9	-	-	38	181.3
Group annuities	-	-	-	-	-	-	-	-

Annualized premiums

Policies in force

(Yen in 100 millions)

	As of March 31, 2019		As of June 30, 2019	
		% to March 31, 2018		% to March 31, 2019
Individual insurance	7,089	102.6	7,035	99.2
Individual annuities	1,487	91.9	1,462	98.3
Total	8,577	100.6	8,497	99.1
Medical coverage, accelerated death benefits, etc.	1,916	108.1	1,943	101.4
Medical and cancer	1,636	107.9	1,658	101.4

New policies

(Yen in 100 millions)

	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)		Three months ended June 30, 2019 (April 1, 2019 to June 30, 2019)	
		% to Fiscal year 2017		% to Fiscal year 2018
Individual insurance	203	95.5	84	41.3
Individual annuities	-	-	-	-
Total	203	95.5	84	41.3
Medical coverage, accelerated death benefits, etc.	49	99.1	50	103.2
Medical and cancer	40	98.4	41	102.5

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

Solvency margin ratio (non-consolidated)

(Yen in millions)

	As of March 31, 2019	As of June 30, 2019
(A) Total amount of solvency margin	848,530	888,126
Shareholders' equity less adjusting items	142,745	145,795
Reserve for price fluctuation	10,080	10,700
Contingency reserve	51,255	51,377
General allowance for doubtful accounts	462	386
(Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions before tax effect deductions) × 90%	264,631	299,646
Unrealized gains (losses) on land × 85%	-	-
Excess of continued Zillmerized reserve	319,977	318,831
Subordinated debt, etc.	100,000	100,000
Amounts within "Excess of continued Zillmerized reserve" and "Subordinated debt, etc." not calculated into the margin	(132,053)	(129,299)
Deductions	-	-
Others	91,430	90,688
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	82,235	87,993
Insurance risk (R ₁)	16,661	16,617
Third sector insurance risk (R ₈)	6,248	6,328
Assumed interest rate risk (R ₂)	5,059	5,072
Minimum guarantee risk (R ₇)	2,439	2,444
Asset management risk (R ₃)	69,400	75,239
Business administration risk (R ₄)	1,996	2,114
(C) Solvency margin ratio $[(A)/\{(B) \times 1/2\}] \times 100$	2,063.6%	2,018.6%

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.