

To Be a *Good Company*

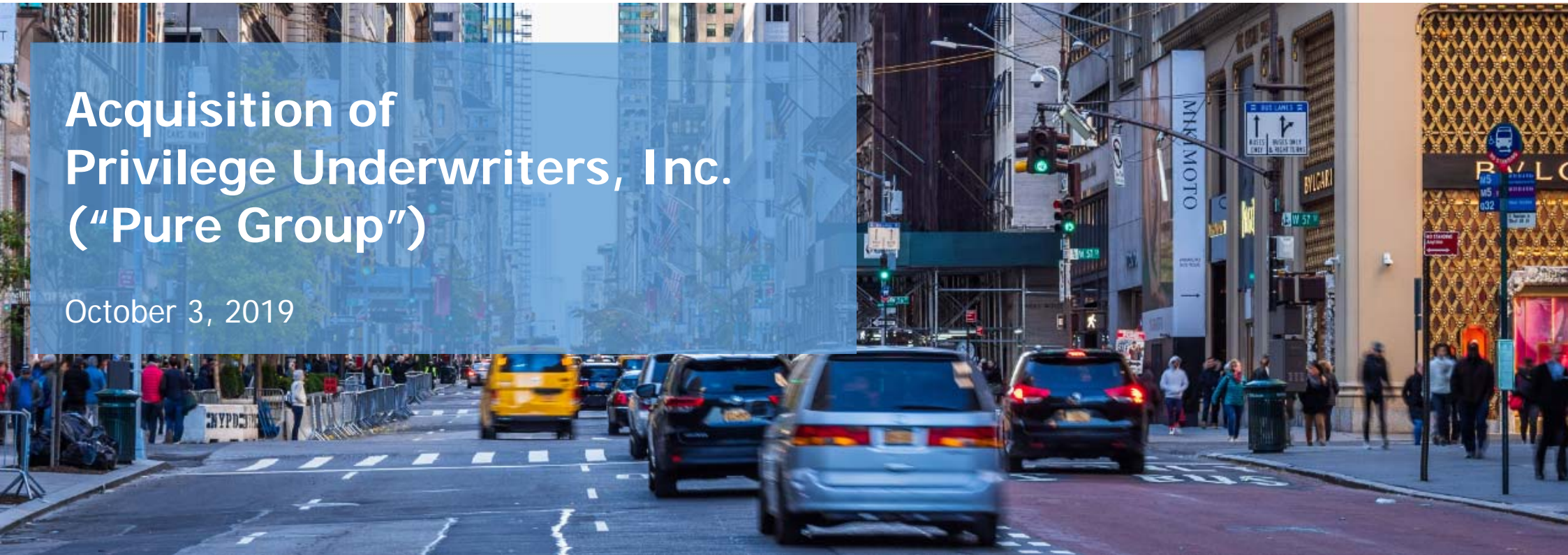


Tokio Marine Holdings

pure[®]
INSURANCE

Acquisition of Privilege Underwriters, Inc. ("Pure Group")

October 3, 2019



Notes on Forward-Looking Statements

This presentation incorporates forward-looking statements that reflect current opinions, plans, outlooks, and forecasts regarding future events and business performance in connection with the Tokio Marine Group and the Pure Group. These statements are based on assumptions and judgments made by Tokio Marine in light of currently available information, and because these assumptions and judgments may be significantly influenced by known or unknown business, economic, or competitive risks, as well as other similar risks, uncertainties, or contingencies, it is possible that actual events, business performance, and other similar outcomes will differ significantly from details provided in forward-looking statements.

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Summary 1/2

Transaction Highlight

- Acquisition of Privilege Underwriters, Inc. and its subsidiaries ("Pure Group"), a U.S. insurance group specialized in the U.S. High Net Worth ("HNW") insurance market
- The acquisition is another step towards our goal of "Achieving sustainable profit growth and diversified business portfolio"
- Total consideration is USD 3.1Bn (approx. JPY 325.5Bn*)
- Expected FY2020 profit after tax of c. USD 95M (implied PER c. 33x**)
Expected FY2023 profit after tax of c. USD 200M
** In line with that of a listed comparable company with a similar business model
- Financing will be done through cash on hand together with external funding (no equity financing but will consider issuance of subordinated bonds)
- Maximum expected goodwill (including intangible assets) amount of approx. JPY 300Bn

*FX: 1USD=105JPY throughout the material unless stated otherwise

Summary 2/2

Characteristics and Strengths of Pure Group

- Rapidly growing P&C insurance group specializing in the U.S. HNW insurance market
- Business model with stable fee-based income and low capital intensity
- Top tier customer satisfaction and renewal ratio within the industry
- Talented and highly regarded management team with in-depth expertise in HNW insurance business

Strategic Rationale of the Acquisition

- Further expansion of specialty primary insurance business in the U.S. (limited overlap with our existing business)
- Contribution to sustainable profit growth and capital efficiency
- Generation of synergies by combining strengths of the two groups

Expected impact on Adjusted ROE of c. +1.2pts in FY2020

1. Overview of the Acquisition

Transaction Structure and Key Terms

Transaction Structure

- Cash acquisition of Privilege Underwriters, Inc. and its subsidiaries (Pure Group) by HCC Insurance Holdings, Inc.

Consideration

- USD 3.1Bn (JPY 325.5Bn) total consideration
- Expect profit after tax of c. USD 95M in FY2020, and c. USD 200M in FY 2023 (implied price to earnings multiple of c. 33x* against FY2020 profit)
 - * In line with that of a listed comparable company with a similar business model
- Maximum expected goodwill (including intangible assets) of approx. JPY 300Bn

Funding

- Cash on hand together with external funding (no equity financing, but will consider issuance of subordinated bonds)

Required Approvals

- Customary regulatory approvals

Closing

- During first quarter (January to March) of 2020

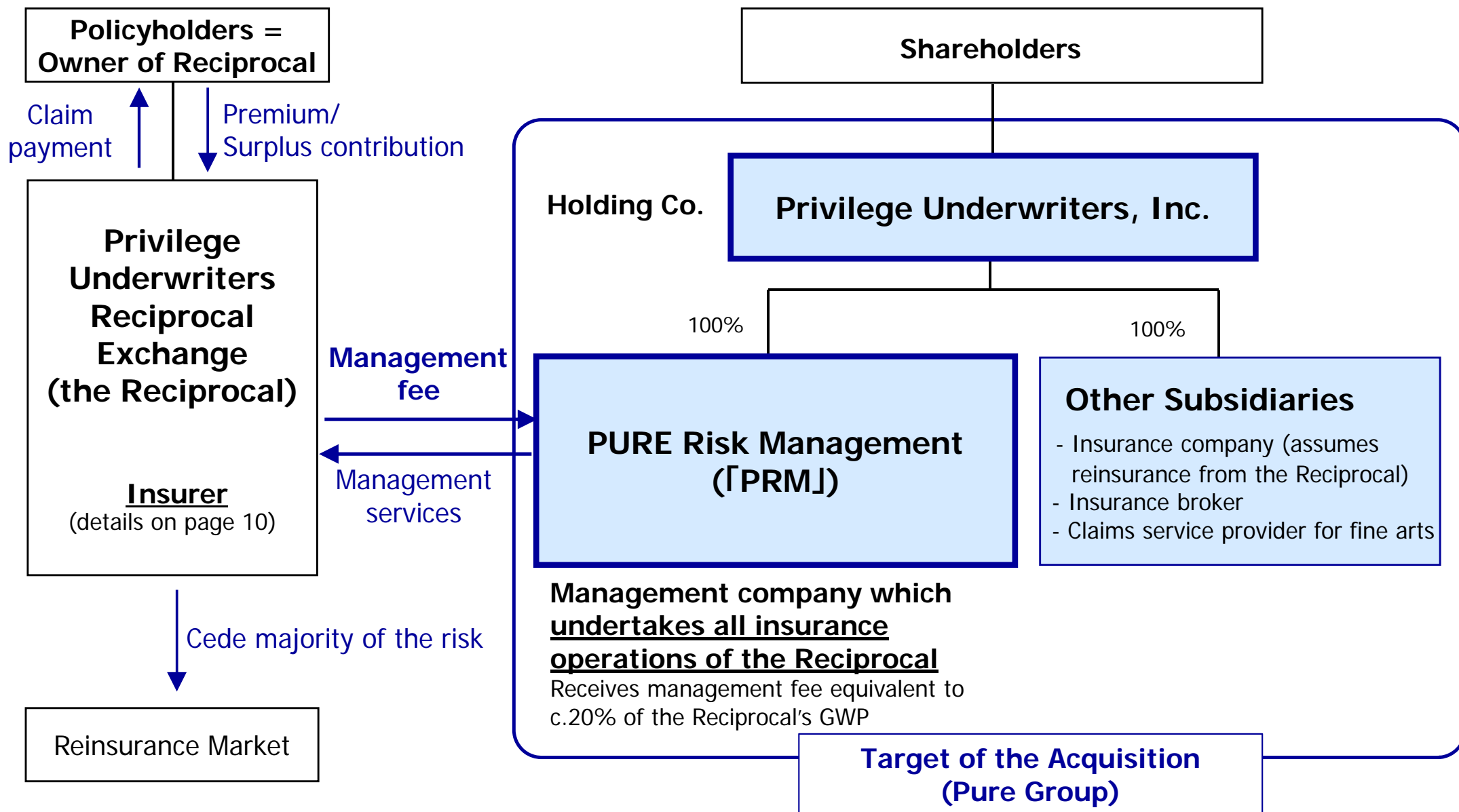
Management

- Current management of Pure Group to continue to lead the business

Received a written opinion (fairness opinion) from Morgan Stanley, dated Oct. 2, 2019. The opinion was directed to the Board of Directors of Tokio Marine and addressed only the fairness, from a financial point of view, of the consideration to be paid in the transaction, and was not intended to, and does not constitute, advice or a recommendation to Tokio Marine stockholders.

2. Business model of Pure Group

Acquisition Target and the Reciprocal Exchange

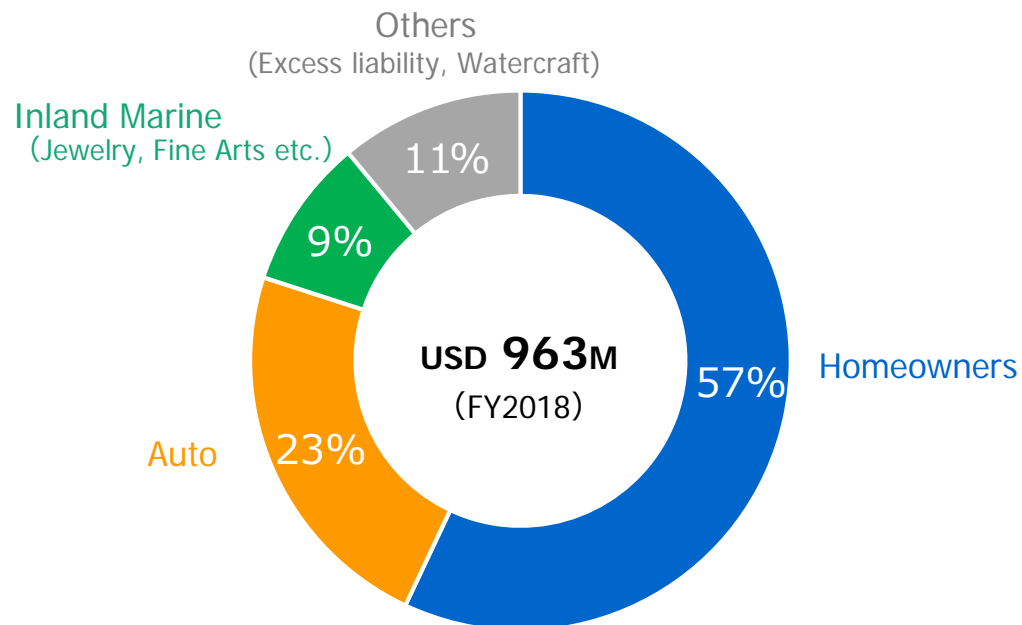


Basic Information of Pure Group

- Overview: A rapidly growing U.S. HNW P&C insurance group founded in 2006
- Current President & CEO: Ross Buchmueller
- Headquarters: White Plains, New York
- Employees: c. 800
- FY2018 Key Financials:
 Premiums Under Management*
 USD 963M (approx. JPY 101.1Bn)
 Fee Income: USD 229M (approx. JPY 24.0Bn)
 Profit Before tax: USD 73M (approx. JPY 7.7Bn)
 Profit After tax: USD 52M (approx. JPY 5.5Bn)
 Net Assets: USD 87M (approx. JPY 9.1Bn)

*Excludes premiums from insurance broker business

Breakdown of Premiums Under Management*



Major Distribution Channels

- National insurance brokers
- HNW insurance specialist brokers
- Partnerships with major insurers etc.

What is a Reciprocal Exchange

- An insurance business structure in the U.S. along with stock/mutual company. More than 50 reciprocal exchanges operate in the U.S. (e.g. USAA (#7*), Farmers (managed by Zurich Group, #11*), Erie Insurance Exchange (#16*) etc.)
*represents ranking in the U.S. P&C market by 2018 NWP
- An unincorporated organization based on mutual support and owned by policyholders.
- Operations (i.e. underwriting, claims etc.) are delegated to a management company (PRM in case of Pure Group) and the reciprocal exchange pays management fees for the services.
- Surplus/Capital of the reciprocal exchange is generally contributed by the policyholders.

Comparison between Stock/Mutual Company and Reciprocal Exchange

	Stock Company	Mutual Company	Reciprocal Exchange
Incorporation	Yes	Yes	No
Basis Laws	Insurance Laws	Insurance Laws	Insurance and Reciprocal Laws
Type of Insurance	P&C, Life, Annuity	P&C, Life, Annuity	P&C only
Owner	Stockholders	Policyholders	Policyholders
Management	Board of directors and officers of insurance company	Board of directors and officers of insurance company	Management co.
Liability of Policyholders	Limited	Limited	Limited

3. Characteristics and Strengths of Pure Group

Strengths and Characteristics of Pure Group



Business model with stable fee-based income

Rapidly growing P&C insurance group specializing in the U.S. HNW insurance market

Top tier customer satisfaction and renewal ratio within the industry

Talented and highly regarded management team with in-depth expertise in HNW business

Business Model with Stable Fee-based Income

- The reciprocal structure encouraging alignment of interests between policyholders and the Reciprocal Exchange
- Majority of income generated from fees earned through the management of the Reciprocal Exchange
- Capital contribution primarily from policyholders and utilization of reinsurance



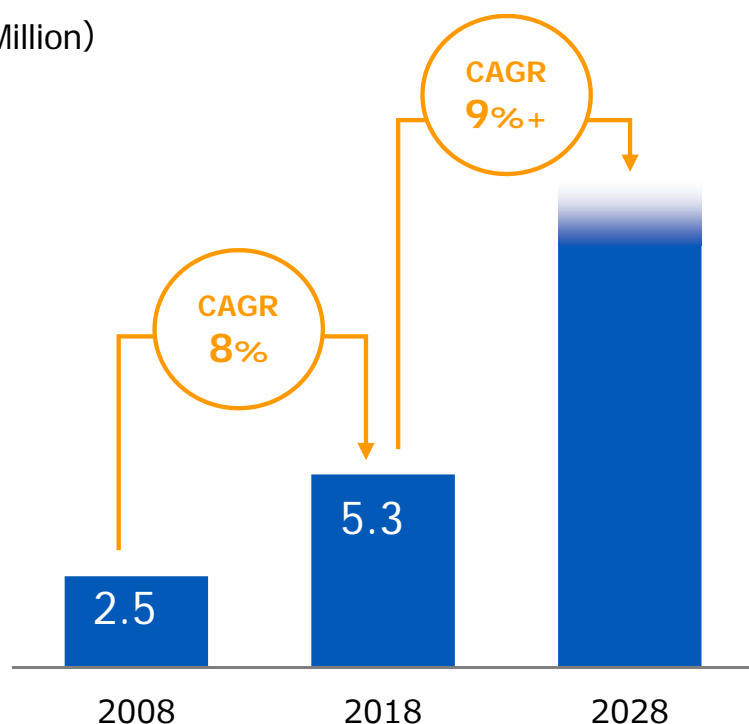
Enables the business model with stable fee-based profit and low capital intensity

Attractiveness of the U.S. HNW Insurance Market

- High growth potential with increase in number of HNW individuals
- Demand for high quality, customized value added services
- Not commoditized and less affected by digital technologies

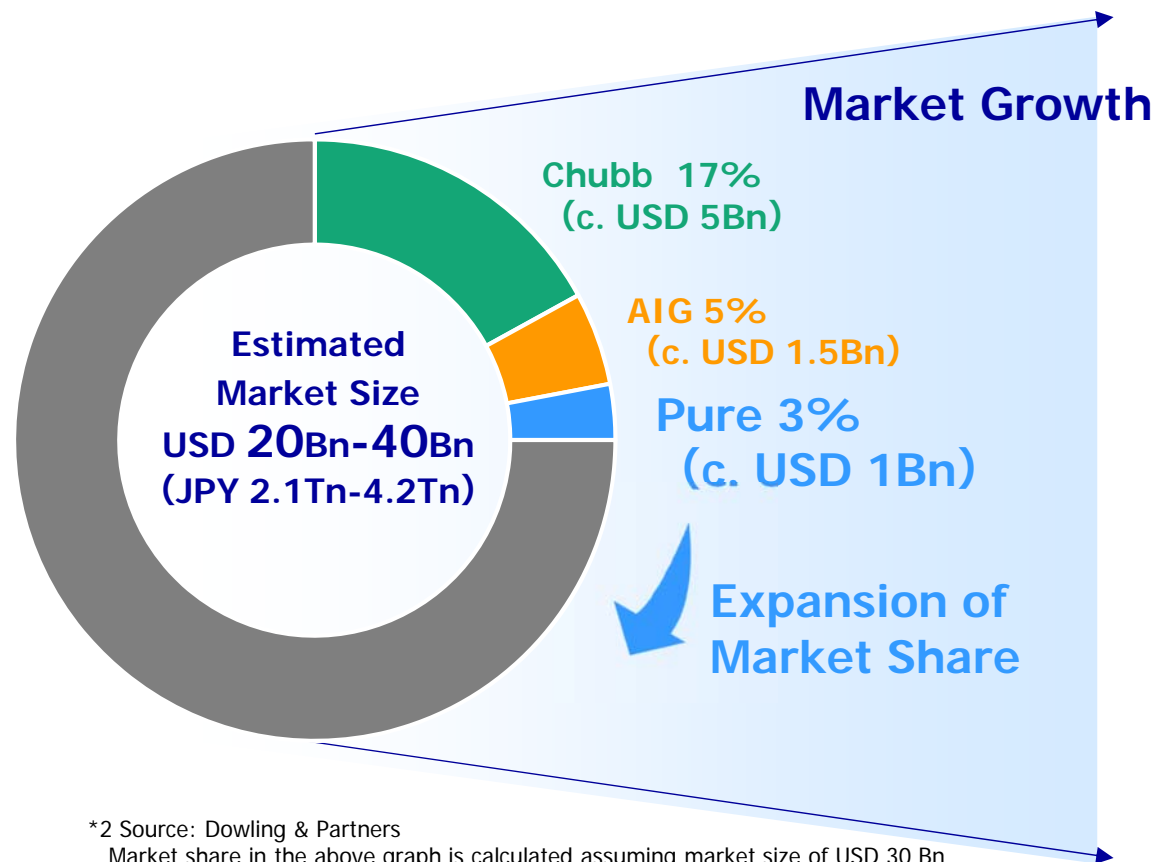
Historic and projected U.S. HNW population^{*1}

(Million)



^{*1} Estimated from past 10 year growth of U.S. HNW population (i.e. population with investable assets of more than USD 1M) etc. based on data from Capgemini, BMI, Euro monitor

U.S. HNW insurance market share^{*2}

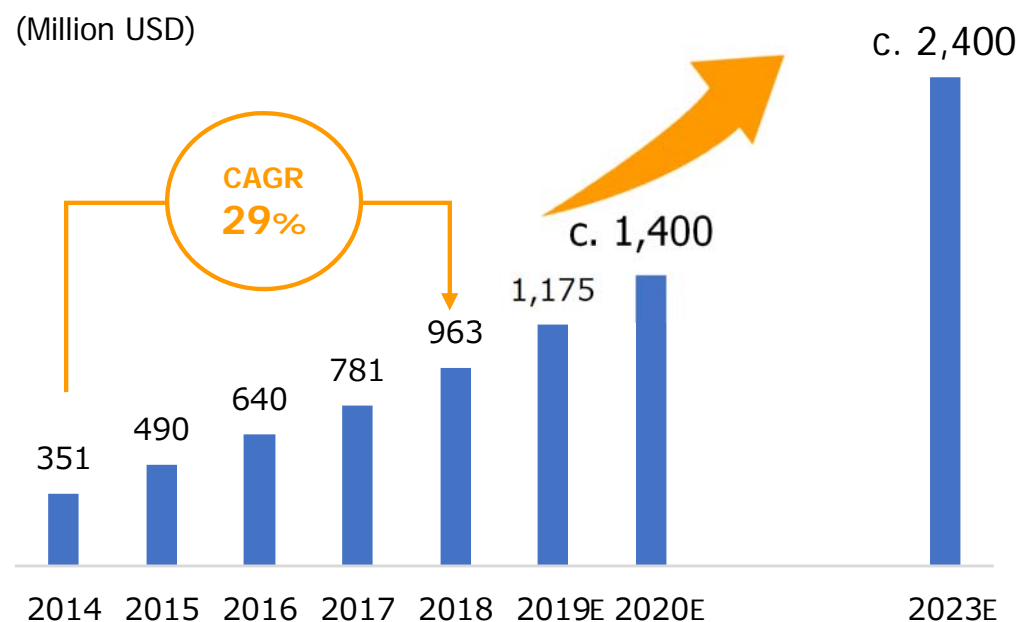


^{*2} Source: Dowling & Partners
Market share in the above graph is calculated assuming market size of USD 30 Bn

Future Growth Potential of Pure Group

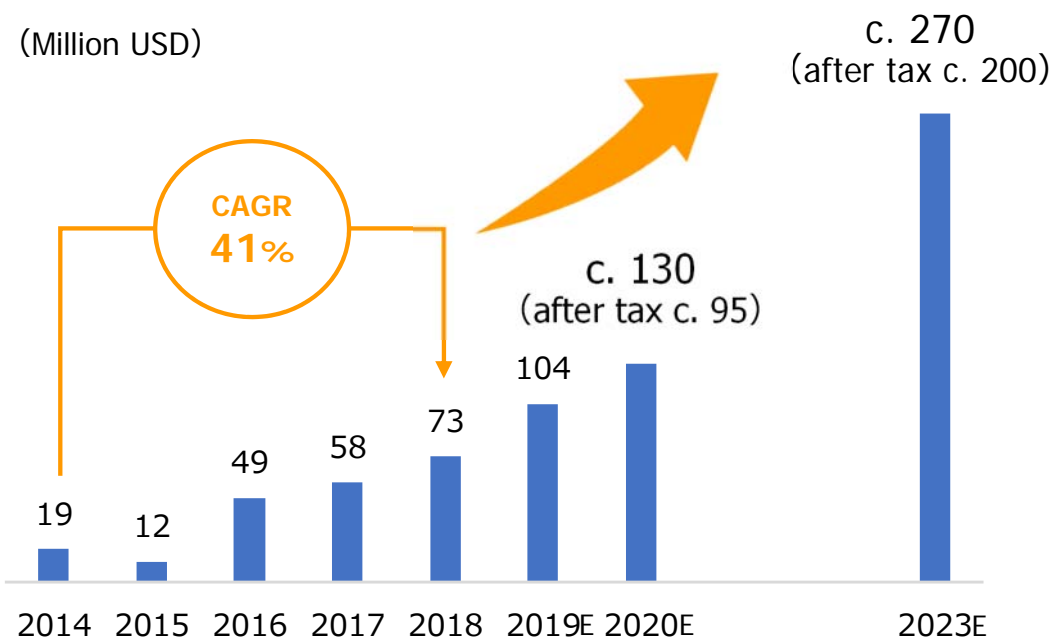
- High growth potential of the U.S. HNW insurance market
- Pure Group's strong growth track record built upon its competitive advantage
- Pure Group's growth initiatives to support continued growth (expand partnerships with major insurers, cross-selling to existing customers, expansion of broker network etc.)

Premiums Under Management*



*Excludes premiums from insurance broker business

Profit before tax



(note) FY2015 profit excludes impact from one-off restructuring costs

Strong Customer Service Capability

Provides comprehensive services that meet various needs of HNW customers

- Concierge service (single point of contact throughout the policy period including claim handling)
- Inspection of homes to assess appropriate insurance amount and provide advice for loss prevention before and after claims
- Provide services to mitigate losses in the event of natural catastrophes

Receives major awards for HNW insurance business

FAMILY WEALTH REPORT AWARDS

2016 Best Insurance Product Provider
2017 Best Insurance Underwriter
2018 Best Insurance Underwriter
2019 Best Insurance Underwriter

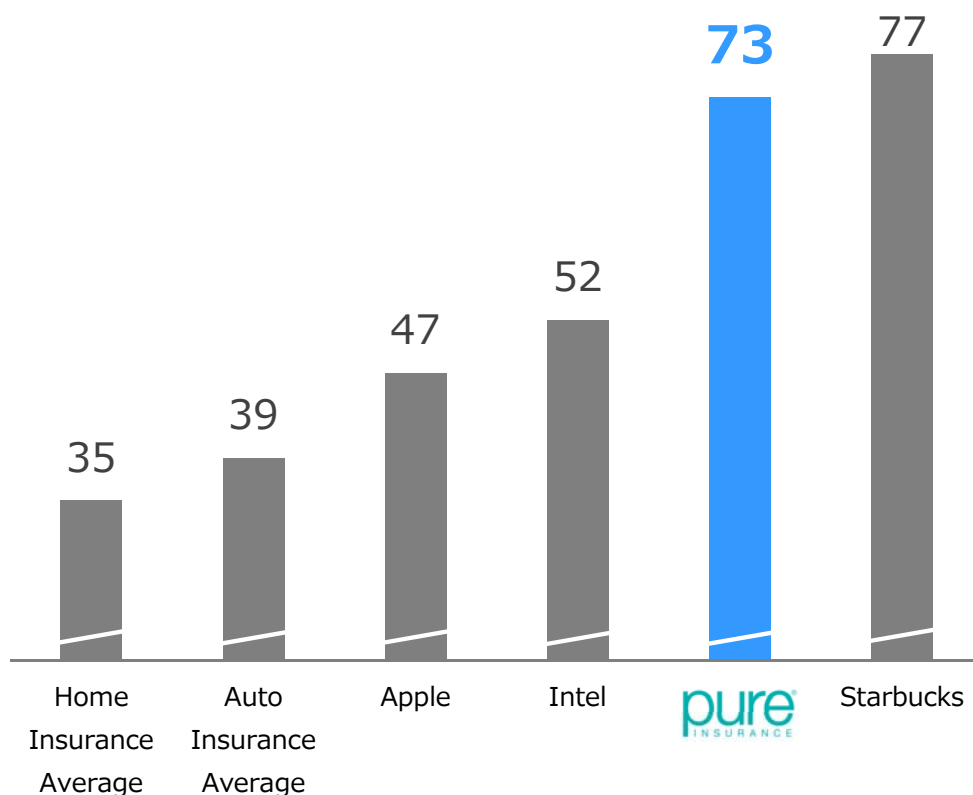
Private Asset Management Awards

2018 Best HNW Insurance Company
2019 Best HNW Insurance Company

High customer satisfaction and renewal ratio

Customer Satisfaction (Net Promoter Score*)

Superior score not just in the P&C sector but also compared to the global top brands



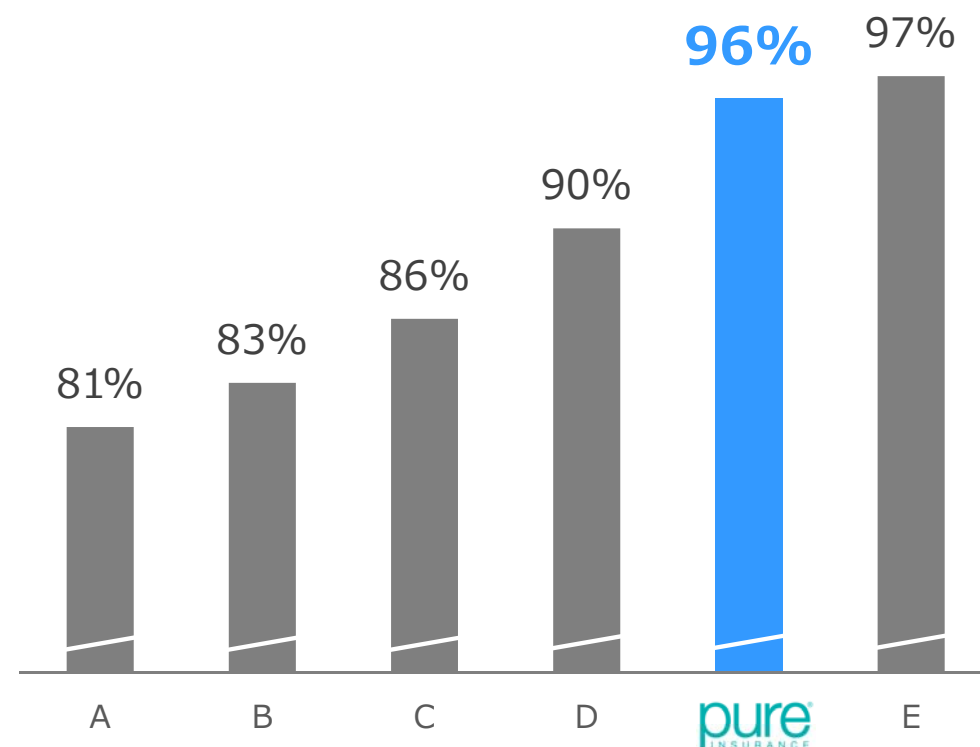
*Index that ranging from -100 to 100 that measures the willingness of customer to recommend a company's products or services to others. Used as a proxy for gauging the customers' overall satisfaction and the loyalty to the brand.

Source : Customer GURU, NICE Satmetrix 2019 Consumer Net Promoter Benchmark Study

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Renewal Ratio**

Top tier renewal ratio in the U.S. P&C industry (A-E are all major players)



**Source : Company disclosure materials

Management Team

Ross Buchmueller (Co-Founder, President & CEO)



- Co-founded Pure Group in 2006. More than 30 years of experience in HNW business
- Worked at Chubb for c. 12 years
- Joined AIG in 1999 and built its HNW insurance division (Private Client Group)

Martin Hartley (Co-Founder, President, Specialty Operations)



- Worked at Hiscox, Chubb, AIG's Private Client Group before co-founding Pure Group

Jeff Paraschac (Co-Founder, EVP, Chief Financial Officer)

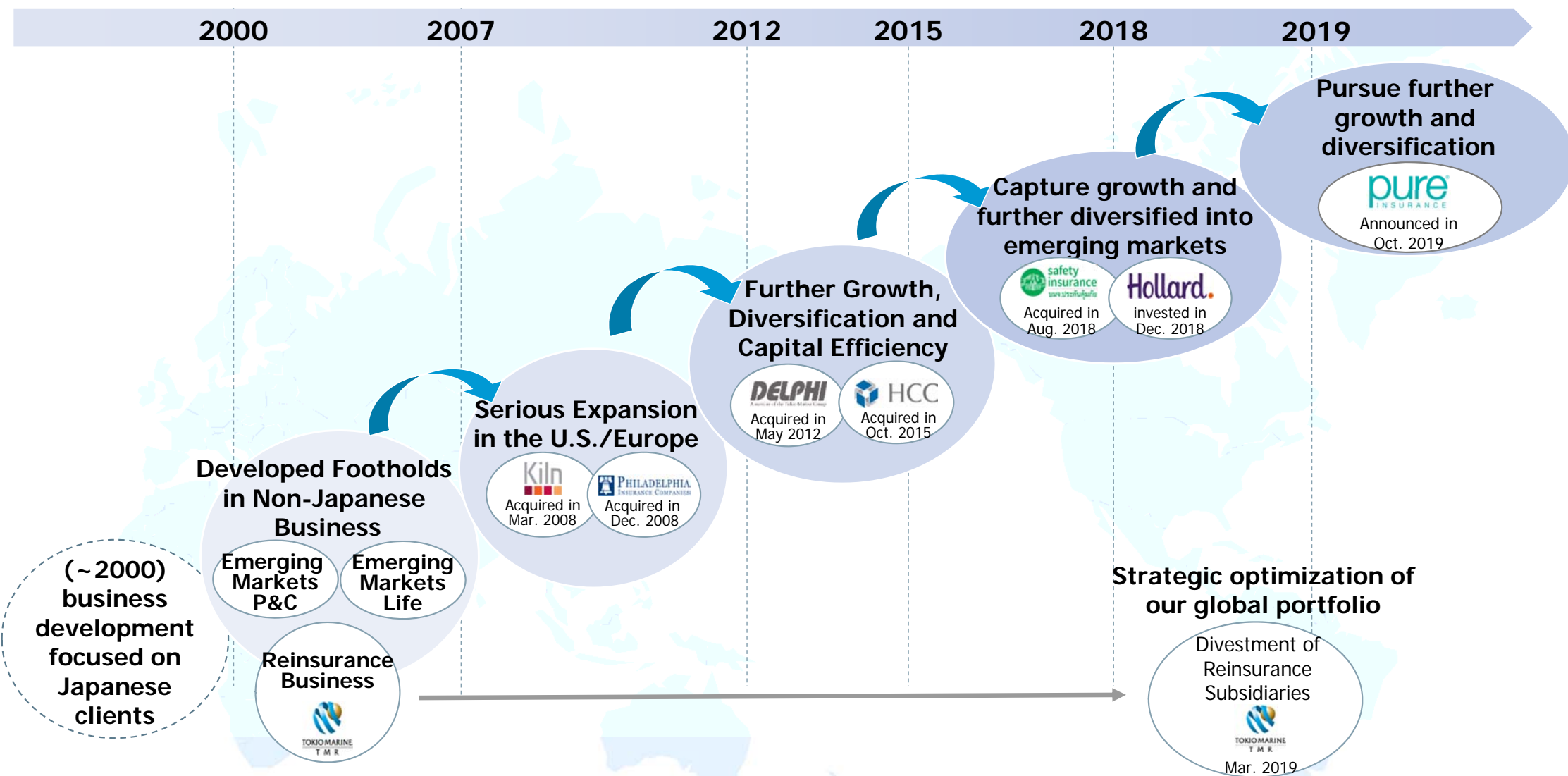


- Experience in consulting, Chubb and AIG's Private Client Group before co-founding Pure Group

- Talented and highly regarded management with in-depth expertise and experience in HNW business
- Will continue to serve in their roles post acquisition

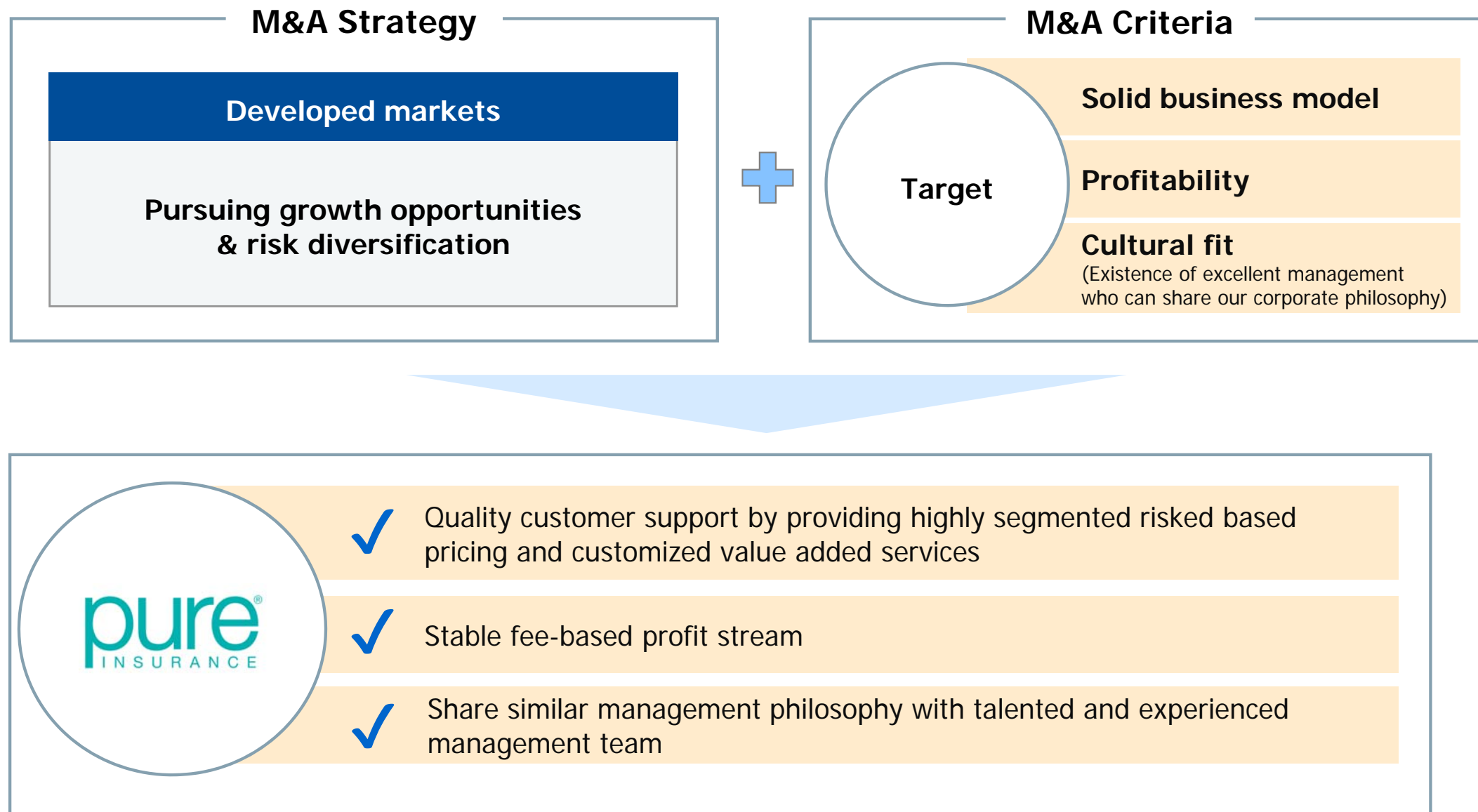
4. Strategic Rationale of the Acquisition

Continued Expansion of International Insurance Business



- Expanding profitable and stable primary insurance business, primarily specialty insurance

Acquisition aligned with our M&A Strategy and Criteria



Business Portfolio with limited Overlap and High Complementarity



A Member of the Tokio Marine Group

**Focused in NPO,
education, sports
markets etc.**

- Commercial package
- Liability etc.



A member of the Tokio Marine Group

**Strength in employee
benefit, retirement
products and services**

- Excess Workers' Compensation
- Group Life, Income Indemnity etc.

- Medical Stop Loss
- Crop
- Other specialty products

complement



**Specialized in HNW
insurance market**

- Homeowners etc.
- Auto



**TOKIOMARINE
HCC**

**Mainly provides
specialty products to
corporations**

Contribution to Group Financials

- Realize further expansion in scale and profit of international business
- Addition of a stable fee-based business
- Limited overlap and complementary with our existing U.S businesses

Achieve sustainable profit growth and capital efficiency via further diversification of our business portfolio

Impact on Adjusted Profit

FY2020E c. + **10.0**Bn JPY

FY2023E c. + **21.0**Bn JPY

Impact on Adjusted ROE

FY2020E c. + **1.2**pts

FY2023E Expect further contribution

Above figures forecasts are based on preliminary future projections and we will announce the financial impact of the acquisition to our group financials when appropriate

Generation of synergies by combining strengths of the two groups

Significant synergy potential by combining Tokio Marine Group's strength with Pure Group's customer base

Our strengths

Financial strength

- Expand Pure Group's customer base by enhancing the creditworthiness of Pure Group as it leverages our financial strength

Underwriting capacity

- Provide reinsurance, etc. to Pure Group to increase its capacity and retain profit within Tokio Marine Group

Wide-ranging
product lineup
(cross-selling)

- Cross-selling of specialty insurance products developed by our current U.S. group companies to Pure Group customers

For further information...

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