

# Summary of Consolidated Business Results of Tokio Marine Holdings, Inc. under Japanese GAAP for the nine months ended December 31, 2019



MEMBERSHIP  
February 14, 2020

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: +81-3-5223-3212)  
Scheduled date to file Quarterly Securities Report: February 14, 2020  
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, 2019 (April 1, 2019 to December 31, 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	%
Nine months ended December 31, 2019	4,094,832	(0.4)	299,221	(3.2)	226,690	2.3
Nine months ended December 31, 2018	4,109,611	0.4	309,239	30.3	221,654	39.1

(Note) Comprehensive income:

Nine months ended December 31, 2019	365,581 million yen	- %
Nine months ended December 31, 2018	(108,483) million yen	- %

	Net income per share - Basic	Net income per share - Diluted
	yen	yen
Nine months ended December 31, 2019	322.11	321.87
Nine months ended December 31, 2018	308.03	307.79

### (2) Consolidated Financial Conditions

	Total assets	Net assets	Ratio of equity capital to total assets
	million yen	million yen	%
As of December 31, 2019	24,401,332	3,786,467	15.4
As of March 31, 2019	22,531,402	3,603,741	15.9

(Reference) Equity capital:

As of December 31, 2019	3,755,539 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	-	130.00	-		
Fiscal year 2019 (Forecast)				95.00	225.00

(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(\*) 35 yen

(\*)The Company resolved the one-time dividends aiming to implement flexible financial policies.

For the second quarter of fiscal year 2019, the Company resolved additional shareholder return of around 50.0 billion yen, which consists of one-time dividend for the capital level adjustment (total amount of 24.5 billion yen) and share repurchases (up to 25.5 billion yen).

## 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	445,000	6.9	325,000	18.4	462.23

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

**\* Notes**

(1) Changes in significant subsidiaries during the nine months ended December 31, 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 December 31, 2019 710,000,000 shares

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

(b) Number of treasury stock held

As of December 31, 2019 8,849,247 shares

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

(c) Average number of shares outstanding

During the nine months ended December 31, 2019 703,750,640 shares

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

## Contents of Appendix

1. Consolidated Financial Statements and Major Notes .....	2
(1) Consolidated Balance Sheet .....	2
(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income .....	3
(3) Notes regarding going concern assumption .....	5
(4) Notes regarding significant changes in shareholders' equity .....	5
(5) Additional Information.....	5
2. Others .....	6
(1) Summary of Consolidated Business Results .....	6
(2) Premiums written and claims paid by lines of business .....	7
(3) Securities .....	8
(4) Financial results of major consolidated subsidiaries .....	9
- Tokio Marine & Nichido Fire Insurance Co., Ltd. (non-consolidated) .....	9
- Nisshin Fire & Marine Insurance Co., Ltd. (non-consolidated) .....	13
- E.design Insurance Co., Ltd. (non-consolidated) .....	17
- Tokio Marine & Nichido Life Insurance Co., Ltd. (non-consolidated) .....	19
Glossary of terminology .....	24

# 1. Consolidated Financial Statements and Major Notes

## (1) Consolidated Balance Sheet

(Yen in millions)

	As of March 31, 2019	As of December 31, 2019
<b>Assets</b>		
Cash and bank deposits	851,657	839,280
Call loans	-	1
Receivables under resale agreements	999	4,999
Receivables under securities borrowing transactions	9,084	1,930
Monetary receivables bought	1,468,952	1,413,521
Money trusts	2,156	2,231
Securities	16,502,611	18,108,254
Loans	932,167	1,290,114
Tangible fixed assets	293,257	307,981
Intangible fixed assets	767,598	703,683
Other assets	1,664,969	1,694,655
Net defined benefit assets	17,515	17,590
Deferred tax assets	29,511	26,061
Customers' liabilities under acceptances and guarantees	2,230	2,114
Allowance for doubtful accounts	(11,308)	(11,087)
<b>Total assets</b>	<b>22,531,402</b>	<b>24,401,332</b>
<b>Liabilities</b>		
Insurance liabilities	16,416,905	16,846,889
Outstanding claims	2,863,815	2,933,766
Underwriting reserves	13,553,090	13,913,122
Corporate bonds	57,514	255,772
Other liabilities	1,692,804	2,708,391
Net defined benefit liabilities	254,430	259,068
Provision for employees' bonus	61,371	45,025
Reserves under special laws	108,457	115,104
Reserve for price fluctuation	108,457	115,104
Deferred tax liabilities	294,805	351,028
Negative goodwill	39,140	31,468
Acceptances and guarantees	2,230	2,114
<b>Total liabilities</b>	<b>18,927,661</b>	<b>20,614,865</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	150,000	150,000
Retained earnings	1,742,188	1,812,286
Treasury stock	(18,299)	(49,021)
<b>Total shareholders' equity</b>	<b>1,873,889</b>	<b>1,913,265</b>
<b>Accumulated other comprehensive income</b>		
Unrealized gains (losses) on available-for-sale securities	1,676,369	1,882,495
Deferred gains (losses) on hedge transactions	9,472	9,816
Foreign currency translation adjustments	24,892	(41,736)
Remeasurements of defined benefit plans	(10,389)	(8,302)
<b>Total accumulated other comprehensive income</b>	<b>1,700,344</b>	<b>1,842,273</b>
<b>Stock acquisition rights</b>	<b>2,479</b>	<b>2,343</b>
<b>Non-controlling interests</b>	<b>27,027</b>	<b>28,584</b>
<b>Total net assets</b>	<b>3,603,741</b>	<b>3,786,467</b>
<b>Total liabilities and net assets</b>	<b>22,531,402</b>	<b>24,401,332</b>

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

(Yen in millions)

	Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)	Nine months ended December 31, 2019 (April 1, 2019 to December 31, 2019)
<b>Ordinary income</b>	4,109,611	4,094,832
<b>Underwriting income</b>	3,567,976	3,519,620
Net premiums written	2,748,087	2,710,296
Deposit premiums from policyholders	64,515	64,494
Investment income on deposit premiums	31,433	30,684
Life insurance premiums	720,690	710,267
<b>Investment income</b>	452,879	487,411
Interest and dividends	376,216	382,411
Gains on money trusts	12	75
Gains on trading securities	5,823	22,199
Gains on sales of securities	94,455	95,319
Gains on redemption of securities	1,247	304
Investment gains on separate accounts	-	13,597
Transfer of investment income on deposit premiums	(31,433)	(30,684)
<b>Other ordinary income</b>	88,756	87,799
Amortization of negative goodwill	7,671	7,671
<b>Ordinary expenses</b>	3,800,372	3,795,611
<b>Underwriting expenses</b>	3,081,719	3,075,011
Net claims paid	1,595,331	1,547,768
Loss adjustment expenses	105,644	107,131
Agency commissions and brokerage	532,743	510,781
Maturity refunds to policyholders	113,360	106,921
Dividends to policyholders	26	17
Life insurance claims	379,870	323,367
Provision for outstanding claims	192,468	125,277
Provision for underwriting reserves	158,968	350,461
<b>Investment expenses</b>	55,068	46,850
Losses on money trusts	1,540	-
Losses on sales of securities	12,029	6,570
Impairment losses on securities	5,317	2,017
Losses on redemption of securities	527	378
Losses on derivatives	4,518	28,249
Investment losses on separate accounts	15,112	-
<b>Operating and general administrative expenses</b>	642,107	652,912
<b>Other ordinary expenses</b>	21,476	20,836
Interest expenses	12,680	13,250
Increase in allowance for doubtful accounts	345	458
Losses on bad debts	214	56
Equity in losses of affiliates	2,093	3,439
Amortization of deferred assets under Article 113 of the Insurance Business Act	2,870	-
<b>Ordinary profit</b>	309,239	299,221

(Yen in millions)

	Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)	Nine months ended December 31, 2019 (April 1, 2019 to December 31, 2019)
<b>Extraordinary gains</b>	4,286	9,238
Gains on disposal of fixed assets	911	123
Gains on step acquisitions	2,976	4,119
Gains on sales of investment in subsidiaries and affiliates	103	4,323
Other extraordinary gains	294	671
<b>Extraordinary losses</b>	8,230	8,875
Losses on disposal of fixed assets	802	1,159
Impairment losses on fixed assets	1,372	1,067
Provision for reserves under special laws	6,056	6,647
Provision for reserve for price fluctuation	6,056	6,647
<b>Income before income taxes and non-controlling interests</b>	305,295	299,584
<b>Income taxes - current</b>	81,047	77,878
<b>Income taxes - deferred</b>	1,382	(6,896)
<b>Total income taxes</b>	82,430	70,982
<b>Net income</b>	222,865	228,601
<b>Net income attributable to non-controlling interests</b>	1,211	1,911
<b>Net income attributable to owners of the parent</b>	221,654	226,690

**(Consolidated Statement of Comprehensive Income)**

(Yen in millions)

	Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)	Nine months ended December 31, 2019 (April 1, 2019 to December 31, 2019)
<b>Net income</b>	222,865	228,601
<b>Other comprehensive income</b>		
Unrealized gains (losses) on available-for-sale securities	(317,668)	203,040
Deferred gains (losses) on hedge transactions	(2,481)	(216)
Foreign currency translation adjustments	(9,943)	(63,222)
Remeasurements of defined benefit plans	1,822	2,090
Share of other comprehensive income of affiliates accounted for by the equity method	(3,078)	(4,711)
<b>Total other comprehensive income</b>	(331,348)	136,979
<b>Total comprehensive income</b>	(108,483)	365,581
Comprehensive income attributable to:		
Owners of the parent	(108,514)	363,418
Non-controlling interests	30	2,162

**(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 nine months ended December 31, 2019 are immaterial.

## 2. Others

### (1) Summary of Consolidated Business Results

(Yen in millions)

	Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)	Nine months ended December 31, 2019 (April 1, 2019 to December 31, 2019)	Increase (Decrease)	Rate of change
<b>Ordinary income and expenses</b>				%
<b>Underwriting income</b>	3,567,976	3,519,620	(48,355)	(1.4)
Net premiums written	2,748,087	2,710,296	(37,790)	(1.4)
Deposit premiums from policyholders	64,515	64,494	(21)	(0.0)
Life insurance premiums	720,690	710,267	(10,422)	(1.4)
<b>Underwriting expenses</b>	3,081,719	3,075,011	(6,707)	(0.2)
Net claims paid	1,595,331	1,547,768	(47,562)	(3.0)
Loss adjustment expenses	105,644	107,131	1,486	1.4
Agency commissions and brokerage	532,743	510,781	(21,962)	(4.1)
Maturity refunds to policyholders	113,360	106,921	(6,439)	(5.7)
Life insurance claims	379,870	323,367	(56,502)	(14.9)
Provision for outstanding claims	192,468	125,277	(67,191)	(34.9)
Provision for underwriting reserves	158,968	350,461	191,493	120.5
<b>Investment income</b>	452,879	487,411	34,532	7.6
Interest and dividends	376,216	382,411	6,195	1.6
Gains on money trusts	12	75	62	504.3
Gains on trading securities	5,823	22,199	16,375	281.2
Gains on sales of securities	94,455	95,319	863	0.9
Investment gains on separate accounts	-	13,597	13,597	-
<b>Investment expenses</b>	55,068	46,850	(8,217)	(14.9)
Losses on money trusts	1,540	-	(1,540)	(100.0)
Losses on sales of securities	12,029	6,570	(5,458)	(45.4)
Impairment losses on securities	5,317	2,017	(3,300)	(62.1)
Losses on derivatives	4,518	28,249	23,730	525.1
Investment losses on separate accounts	15,112	-	(15,112)	(100.0)
<b>Operating and general administrative expenses</b>	642,107	652,912	10,804	1.7
<b>Other ordinary income and expenses</b>	67,279	66,962	(316)	(0.5)
Equity in earnings (losses) of affiliates	(2,093)	(3,439)	(1,346)	-
<b>Ordinary profit</b>	309,239	299,221	(10,018)	(3.2)
<b>Extraordinary gains and losses</b>				
<b>Extraordinary gains</b>	4,286	9,238	4,951	115.5
<b>Extraordinary losses</b>	8,230	8,875	644	7.8
<b>Extraordinary gains (losses)</b>	(3,943)	363	4,306	-
<b>Income before income taxes and non-controlling interests</b>	305,295	299,584	(5,711)	(1.9)
<b>Income taxes - current</b>	81,047	77,878	(3,169)	(3.9)
<b>Income taxes - deferred</b>	1,382	(6,896)	(8,278)	(598.8)
<b>Total income taxes</b>	82,430	70,982	(11,448)	(13.9)
<b>Net income</b>	222,865	228,601	5,736	2.6
<b>Net income attributable to non-controlling interests</b>	1,211	1,911	700	57.8
<b>Net income attributable to owners of the parent</b>	221,654	226,690	5,036	2.3



**(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, 2018 (April 1, 2018 to December 31, 2018)			Nine months ended December 31, 2019 (April 1, 2019 to December 31, 2019)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	484,489	16.3	3.7	532,627	17.4	9.9
Hull and cargo	92,614	3.1	(0.5)	102,294	3.3	10.5
Personal accident	231,071	7.8	(5.1)	233,498	7.6	1.1
Voluntary automobile	1,051,513	35.3	(0.5)	1,077,024	35.2	2.4
Compulsory automobile liability	208,550	7.0	(1.5)	212,962	7.0	2.1
Others	910,537	30.6	6.8	902,299	29.5	(0.9)
Total	2,978,776	100.0	1.8	3,060,705	100.0	2.8
Deposit premiums from policyholders	64,515	2.2	(15.8)	64,494	2.1	(0.0)

(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)

	Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)			Nine months ended December 31, 2019 (April 1, 2019 to December 31, 2019)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	417,521	15.2	5.7	410,306	15.1	(1.7)
Hull and cargo	81,786	3.0	(0.3)	83,541	3.1	2.1
Personal accident	168,761	6.1	(0.5)	166,110	6.1	(1.6)
Voluntary automobile	1,069,057	38.9	(1.7)	1,077,199	39.7	0.8
Compulsory automobile liability	214,366	7.8	(7.2)	223,624	8.3	4.3
Others	796,594	29.0	6.2	749,514	27.7	(5.9)
Total	2,748,087	100.0	1.2	2,710,296	100.0	(1.4)

Net claims paid

(Yen in millions)

	Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)			Nine months ended December 31, 2019 (April 1, 2019 to December 31, 2019)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	377,411	23.7	72.1	307,349	19.9	(18.6)
Hull and cargo	46,443	2.9	4.8	48,707	3.1	4.9
Personal accident	76,964	4.8	(0.4)	77,814	5.0	1.1
Voluntary automobile	611,316	38.3	3.8	611,133	39.5	(0.0)
Compulsory automobile liability	165,145	10.4	(1.1)	154,354	10.0	(6.5)
Others	318,049	19.9	0.9	348,409	22.5	9.5
Total	1,595,331	100.0	13.0	1,547,768	100.0	(3.0)

**(3) Securities**

## 1. Bonds held to maturity

(Yen in millions)

	As of March 31, 2019			As of December 31, 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	4,871,006	5,811,151	940,145
Foreign securities	40,210	40,379	168	41,607	45,729	4,121
Total	4,674,069	5,562,441	888,372	4,912,614	5,856,881	944,266

## 2. Bonds earmarked for underwriting reserves

(Yen in millions)

	As of March 31, 2019			As of December 31, 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	1,489,699	1,511,511	21,811
Foreign securities	13,442	13,537	94	11,699	11,972	273
Total	377,030	397,151	20,120	1,501,398	1,523,483	22,084

## 3. Available-for-sale securities

(Yen in millions)

	As of March 31, 2019			As of December 31, 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	3,475,393	3,927,748	452,355
Domestic equity securities	598,507	2,383,165	1,784,657	568,605	2,432,655	1,864,050
Foreign securities	4,233,512	4,325,803	92,290	4,247,014	4,541,942	294,927
Others	1,498,845	1,492,008	(6,837)	1,431,007	1,459,913	28,905
Total	9,758,246	12,088,637	2,330,390	9,722,020	12,362,259	2,640,238

(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 December 31, 2019: cost 30,446 million yen, fair value 30,446 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 December 31, 2019: cost 1,384,929 million yen, fair value 1,411,861 million yen, unrealized gains 26,932 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)

-Nine months ended December 31, 2019: 3,856 million yen (Domestic equity securities 1,205 million yen, Foreign securities 582 million yen, Others 2,069 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 December 31, 2019		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
<b>Assets</b>		%		%	
Cash and bank deposits	419,530	4.47	352,275	3.66	(67,254)
Receivables under resale agreements	999	0.01	4,999	0.05	3,999
Monetary receivables bought	101,536	1.08	216,225	2.25	114,688
Money trusts	2,156	0.02	2,231	0.02	75
Securities	7,803,911	83.08	7,985,386	82.99	181,474
Loans	135,094	1.44	170,439	1.77	35,345
Tangible fixed assets	211,184	2.25	211,692	2.20	508
Intangible fixed assets	523	0.01	523	0.01	(0)
Other assets	711,622	7.58	673,632	7.00	(37,989)
Prepaid pension costs	7,567	0.08	6,267	0.07	(1,300)
Customers' liabilities under acceptances and guarantees	2,230	0.02	2,114	0.02	(116)
Allowance for doubtful accounts	(3,318)	(0.04)	(3,319)	(0.03)	(0)
<b>Total assets</b>	<b>9,393,039</b>	<b>100.00</b>	<b>9,622,469</b>	<b>100.00</b>	<b>229,430</b>
<b>Liabilities</b>					
Insurance liabilities	5,288,084	56.30	5,290,044	54.98	1,960
Outstanding claims	975,348		1,014,204		38,856
Underwriting reserves	4,312,735		4,275,839		(36,895)
Corporate bonds	10,100	0.11	210,100	2.18	200,000
Other liabilities	736,572	7.84	679,723	7.06	(56,848)
Income taxes payable	27,691		2,884		(24,806)
Lease obligations	3,020		3,893		873
Asset retirement obligations	3,450		3,472		21
Other liabilities	702,408		669,472		(32,936)
Provision for retirement benefits	209,059	2.23	212,985	2.21	3,926
Provision for employees' bonus	14,737	0.16	6,129	0.06	(8,608)
Reserves under special laws	96,859	1.03	101,055	1.05	4,195
Reserve for price fluctuation	96,859		101,055		4,195
Deferred tax liabilities	146,344	1.56	171,105	1.78	24,760
Acceptances and guarantees	2,230	0.02	2,114	0.02	(116)
<b>Total liabilities</b>	<b>6,503,988</b>	<b>69.24</b>	<b>6,673,258</b>	<b>69.35</b>	<b>169,270</b>
<b>Net assets</b>					
Share capital	101,994	1.09	101,994	1.06	-
Capital surplus	133,625	1.42	133,625	1.39	-
Additional paid-in capital	123,521		123,521		-
Other capital surplus	10,104		10,104		-
Retained earnings	1,185,780	12.62	1,185,494	12.32	(286)
Surplus reserve	81,099		81,099		-
Other retained earnings	1,104,681		1,104,394		(286)
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		844,995		(286)
Total shareholders' equity	1,421,401	15.13	1,421,114	14.77	(286)
Unrealized gains (losses) on available-for-sale securities	1,479,305	15.75	1,537,530	15.98	58,224
Deferred gains (losses) on hedge transactions	(11,655)	(0.12)	(9,433)	(0.10)	2,221
Total valuation and translation adjustments	1,467,649	15.62	1,528,096	15.88	60,446
<b>Total net assets</b>	<b>2,889,050</b>	<b>30.76</b>	<b>2,949,210</b>	<b>30.65</b>	<b>60,160</b>
<b>Total liabilities and net assets</b>	<b>9,393,039</b>	<b>100.00</b>	<b>9,622,469</b>	<b>100.00</b>	<b>229,430</b>

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

## Statement of income

(Yen in millions)

	Nine months ended December 31, 2018 ( April 1, 2018 to December 31, 2018 )	Nine months ended December 31, 2019 ( April 1, 2019 to December 31, 2019 )	Increase (Decrease)
<b>Ordinary income</b>	2,054,309	2,032,573	(21,735)
<b>Underwriting income</b>	1,848,621	1,816,874	(31,746)
Net premiums written	1,621,450	1,687,101	65,651
Deposit premiums from policyholders	63,187	63,353	165
Investment income on deposit premiums	30,156	29,372	(783)
Reversal of underwriting reserves	133,743	36,895	(96,847)
<b>Investment income</b>	198,400	207,555	9,154
Interest and dividends	150,469	159,768	9,299
Gains on money trusts	12	75	62
Gains on sales of securities	74,736	75,840	1,104
Transfer of investment income on deposit premiums	(30,156)	(29,372)	783
<b>Other ordinary income</b>	7,286	8,143	856
<b>Ordinary expenses</b>	1,863,932	1,835,536	(28,395)
<b>Underwriting expenses</b>	1,618,666	1,575,129	(43,536)
Net claims paid	1,056,297	1,039,309	(16,988)
Loss adjustment expenses	82,313	83,435	1,122
Agency commissions and brokerage	293,957	308,635	14,677
Maturity refunds to policyholders	108,809	103,523	(5,285)
Provision for outstanding claims	76,152	38,856	(37,296)
<b>Investment expenses</b>	11,756	19,612	7,855
Losses on money trusts	1,540	-	(1,540)
Losses on sales of securities	1,263	1,216	(47)
Impairment losses on securities	3,610	1,462	(2,147)
<b>Operating and general administrative expenses</b>	226,776	233,070	6,294
<b>Other ordinary expenses</b>	6,733	7,724	991
Interest expenses	6,261	6,150	(110)
<b>Ordinary profit (loss)</b>	190,376	197,037	6,660
<b>Extraordinary gains</b>	998	3,556	2,557
Gains on disposal of fixed assets	888	76	(811)
Gains on sales of investment in subsidiaries and affiliates	103	3,479	3,376
Gains on liquidation of subsidiaries and affiliates	6	-	(6)
<b>Extraordinary losses</b>	5,749	13,220	7,470
Losses on disposal of fixed assets	691	964	273
Impairment losses on fixed assets	871	302	(568)
Provision for reserves under special laws	4,187	4,195	8
Provision for reserve for price fluctuation	4,187	4,195	8
Impairment losses on investment in subsidiaries and affiliates	-	7,757	7,757
<b>Income (loss) before income taxes</b>	185,625	187,373	1,748
<b>Income taxes - current</b>	39,527	30,181	(9,345)
<b>Income taxes - deferred</b>	(6,511)	881	7,393
<b>Total income taxes</b>	33,015	31,063	(1,951)
<b>Net income (loss)</b>	152,609	156,309	3,700
Underwriting profit (loss)	28,463	36,227	7,763
Loss ratio (W/P basis)	70.2 %	66.5 %	(3.7)%
Expense ratio (W/P basis)	30.4	30.3	(0.1)
Combined ratio (W/P basis)	100.6	96.8	(3.8)
Loss ratio (private sector, E/I basis)	73.7	69.8	(3.9)
Expense ratio (private sector)	31.9	31.7	(0.2)
Combined ratio (private sector)	105.6	101.5	(4.1)

**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, 2018 ( April 1, 2018 to December 31, 2018 )			Nine months ended December 31, 2019 ( April 1, 2019 to December 31, 2019 )		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	271,264	15.1	5.7	316,707	17.0	16.8
Hull and cargo	49,564	2.8	4.1	52,137	2.8	5.2
Personal accident	138,956	7.7	2.3	141,489	7.6	1.8
Voluntary automobile	799,643	44.6	0.0	807,239	43.3	1.0
Compulsory automobile liability	194,848	10.9	(1.4)	199,623	10.7	2.5
Others	339,765	18.9	2.8	347,710	18.6	2.3
Total	1,794,041	100.0	1.5	1,864,908	100.0	4.0
Deposit premiums from policyholders	63,187	-	(16.0)	63,353	-	0.3

## Net premiums written

(Yen in millions)

	Nine months ended December 31, 2018 ( April 1, 2018 to December 31, 2018 )			Nine months ended December 31, 2019 ( April 1, 2019 to December 31, 2019 )		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	209,593	12.9	2.2	242,613	14.4	15.8
Hull and cargo	46,923	2.9	8.6	48,524	2.9	3.4
Personal accident	134,857	8.3	2.4	138,116	8.2	2.4
Voluntary automobile	796,638	49.1	(0.1)	804,629	47.7	1.0
Compulsory automobile liability	201,139	12.4	(7.0)	210,242	12.5	4.5
Others	232,297	14.3	5.8	242,974	14.4	4.6
Total	1,621,450	100.0	0.5	1,687,101	100.0	4.0

## Net claims paid

(Yen in millions)

	Nine months ended December 31, 2018 ( April 1, 2018 to December 31, 2018 )			Nine months ended December 31, 2019 ( April 1, 2019 to December 31, 2019 )		
	Amount	Rate of change	Loss ratio	Amount	Rate of change	Loss ratio
		%	%		%	%
Fire and allied lines	251,121	112.0	122.3	218,207	(13.1)	92.4
Hull and cargo	29,077	13.4	65.3	32,195	10.7	69.6
Personal accident	60,797	0.5	50.9	64,375	5.9	51.8
Voluntary automobile	450,671	5.2	62.4	458,810	1.8	63.0
Compulsory automobile liability	154,498	(1.0)	83.8	144,766	(6.3)	75.1
Others	110,130	(16.7)	50.6	120,954	9.8	52.7
Total	1,056,297	14.6	70.2	1,039,309	(1.6)	66.5

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

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

## Solvency margin ratio (non-consolidated)

(Yen in millions)

	As of March 31, 2019	As of December 31, 2019
(A) Total amount of solvency margin	4,891,588	5,199,812
Shareholders' equity less adjusting items	1,345,853	1,421,114
Reserve for price fluctuation	96,859	101,055
Contingency reserve	5,449	6,500
Catastrophe loss reserve	979,088	891,039
General allowance for doubtful accounts	240	165
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions before tax effect deductions	1,840,342	1,914,599
Unrealized gains (losses) on land	216,476	229,053
Excess of policyholders' contract deposits	-	-
Subordinated debt, etc.	-	200,000
Amounts within "Excess of policyholders' contract deposits" and "Subordinated debt, etc." not calculated into the margin	-	-
Deductions	-	-
Others	407,277	436,284
(B) Total amount of risks $\sqrt{(R_1+R_2)^2+(R_3+R_4)^2+R_5+R_6}$	1,185,150	1,165,168
General insurance risk (R <sub>1</sub> )	184,654	185,938
Third sector insurance risk (R <sub>2</sub> )	-	-
Assumed interest rate risk (R <sub>3</sub> )	20,092	19,735
Asset management risk (R <sub>4</sub> )	963,630	957,229
Business administration risk (R <sub>5</sub> )	26,522	26,148
Catastrophe risk (R <sub>6</sub> )	157,725	144,518
(C) Solvency margin ratio $[(A)/\{(B)\times 1/2\}]\times 100$	825.4%	892.5%

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

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

## Balance sheet

(Yen in millions)

	As of March 31, 2019		As of December 31, 2019		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
<b>Assets</b>		%		%	
Cash and bank deposits	38,881	9.81	41,139	10.65	2,258
Securities	275,440	69.47	270,683	70.06	(4,757)
Loans	213	0.05	189	0.05	(24)
Tangible fixed assets	28,914	7.29	28,946	7.49	32
Intangible fixed assets	91	0.02	91	0.02	-
Other assets	38,371	9.68	30,722	7.95	(7,648)
Prepaid pension costs	1,540	0.39	1,607	0.42	66
Deferred tax assets	13,249	3.34	13,278	3.44	28
Allowance for doubtful accounts	(228)	(0.06)	(311)	(0.08)	(82)
<b>Total assets</b>	<b>396,474</b>	<b>100.00</b>	<b>386,348</b>	<b>100.00</b>	<b>(10,126)</b>
<b>Liabilities</b>					
Insurance liabilities	285,395	71.98	286,456	74.14	1,061
Outstanding claims	48,996		51,582		2,585
Underwriting reserves	236,398		234,874		(1,524)
Other liabilities	15,400	3.88	12,589	3.26	(2,810)
Income taxes payable	406		225		(181)
Asset retirement obligations	11		10		(0)
Other liabilities	14,982		12,353		(2,629)
Provision for retirement benefits	3,110	0.78	3,792	0.98	681
Provision for employees' bonus	534	0.13	-	-	(534)
Reserves under special laws	1,516	0.38	1,627	0.42	111
Reserve for price fluctuation	1,516		1,627		111
<b>Total liabilities</b>	<b>305,957</b>	<b>77.17</b>	<b>304,465</b>	<b>78.81</b>	<b>(1,491)</b>
<b>Net assets</b>					
Share capital	20,389	5.14	20,389	5.28	-
Capital surplus	15,518	3.91	15,518	4.02	-
Additional paid-in capital	12,620		12,620		-
Other capital surplus	2,898		2,898		-
Retained earnings	21,023	5.30	12,653	3.28	(8,370)
Surplus reserve	7,769		7,769		-
Other retained earnings	13,254		4,884		(8,370)
Reserve for advanced depreciation of fixed assets	1,678		1,678		-
Retained earnings carried forward	11,575		3,205		(8,370)
Total shareholders' equity	56,932	14.36	48,561	12.57	(8,370)
Unrealized gains (losses) on available-for-sale securities	33,585	8.47	33,320	8.62	(264)
Total valuation and translation adjustments	33,585	8.47	33,320	8.62	(264)
<b>Total net assets</b>	<b>90,517</b>	<b>22.83</b>	<b>81,882</b>	<b>21.19</b>	<b>(8,634)</b>
<b>Total liabilities and net assets</b>	<b>396,474</b>	<b>100.00</b>	<b>386,348</b>	<b>100.00</b>	<b>(10,126)</b>

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

## Statement of income

(Yen in millions)

	Nine months ended December 31, 2018 ( April 1, 2018 to December 31, 2018 )	Nine months ended December 31, 2019 ( April 1, 2019 to December 31, 2019 )	Increase (Decrease)
<b>Ordinary income</b>	125,055	119,851	(5,204)
<b>Underwriting income</b>	121,988	117,220	(4,768)
Net premiums written	108,894	113,246	4,352
Deposit premiums from policyholders	1,328	1,140	(187)
Investment income on deposit premiums	1,264	1,296	31
Reversal of underwriting reserves	10,493	1,524	(8,968)
<b>Investment income</b>	3,011	2,550	(461)
Interest and dividends	3,139	3,061	(77)
Gains on sales of securities	864	689	(174)
Gains on redemption of securities	268	90	(178)
Transfer of investment income on deposit premiums	(1,264)	(1,296)	(31)
<b>Other ordinary income</b>	55	80	25
<b>Ordinary expenses</b>	123,531	119,396	(4,135)
<b>Underwriting expenses</b>	104,958	100,700	(4,258)
Net claims paid	69,803	67,026	(2,777)
Loss adjustment expenses	7,553	7,483	(70)
Agency commissions and brokerage	18,976	20,021	1,044
Maturity refunds to policyholders	4,550	3,397	(1,153)
Provision for outstanding claims	3,848	2,585	(1,263)
<b>Investment expenses</b>	520	837	316
Losses on sales of securities	14	16	1
Impairment losses on securities	66	57	(8)
<b>Operating and general administrative expenses</b>	17,880	17,694	(186)
<b>Other ordinary expenses</b>	172	164	(7)
<b>Ordinary profit (loss)</b>	1,524	454	(1,069)
<b>Extraordinary gains</b>	207	100	(106)
Gains on disposal of fixed assets	2	100	98
Compensation for relocation	204	-	(204)
<b>Extraordinary losses</b>	275	143	(131)
Losses on disposal of fixed assets	100	32	(67)
Provision for reserves under special laws	175	111	(64)
Provision for reserve for price fluctuation	175	111	(64)
<b>Income (loss) before income taxes</b>	1,455	411	(1,044)
<b>Income taxes - current</b>	70	66	(3)
<b>Income taxes - deferred</b>	128	24	(103)
<b>Total income taxes</b>	198	91	(106)
<b>Net income (loss)</b>	1,257	320	(937)
Underwriting profit (loss)	(279)	(337)	(57)
Loss ratio (W/P basis)	71.0 %	65.8 %	(5.2)%
Expense ratio (W/P basis)	33.6	33.1	(0.5)
Combined ratio (W/P basis)	104.7	98.9	(5.8)
Loss ratio (private sector, E/I basis)	73.8	68.9	(4.9)
Expense ratio (private sector)	34.6	34.1	(0.5)
Combined ratio (private sector)	108.4	103.0	(5.4)



**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, 2018 ( April 1, 2018 to December 31, 2018 )			Nine months ended December 31, 2019 ( April 1, 2019 to December 31, 2019 )		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
Fire and allied lines	23,663	20.1	14.4	26,314	21.7	11.2
Hull and cargo	-	-	-	-	-	-
Personal accident	5,510	4.7	(6.1)	5,236	4.3	(5.0)
Voluntary automobile	64,004	54.5	(0.1)	64,503	53.2	0.8
Compulsory automobile liability	13,701	11.7	(3.8)	13,338	11.0	(2.7)
Others	10,551	9.0	15.5	11,878	9.8	12.6
Total	117,432	100.0	3.0	121,271	100.0	3.3
Deposit premiums from policyholders	1,328	-	(4.8)	1,140	-	(14.1)

## Net premiums written

(Yen in millions)

	Nine months ended December 31, 2018 ( April 1, 2018 to December 31, 2018 )			Nine months ended December 31, 2019 ( April 1, 2019 to December 31, 2019 )		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
Fire and allied lines	16,351	15.0	14.2	19,039	16.8	16.4
Hull and cargo	0	0.0	(71.3)	0	0.0	(68.7)
Personal accident	5,460	5.0	(6.0)	5,189	4.6	(5.0)
Voluntary automobile	63,838	58.7	(0.2)	64,340	56.8	0.8
Compulsory automobile liability	12,980	11.9	(10.4)	13,066	11.5	0.7
Others	10,262	9.4	15.2	11,611	10.3	13.1
Total	108,894	100.0	1.3	113,246	100.0	4.0

## Net claims paid

(Yen in millions)

	Nine months ended December 31, 2018 ( April 1, 2018 to December 31, 2018 )			Nine months ended December 31, 2019 ( April 1, 2019 to December 31, 2019 )		
	Amount	Rate of change	Loss ratio	Amount	Rate of change	Loss ratio
Fire and allied lines	20,550	142.8	128.5	16,980	(17.4)	91.4
Hull and cargo	1	(82.0)	841.5	1	0.9	1,328.8
Personal accident	2,679	(8.9)	55.2	2,439	(8.9)	52.9
Voluntary automobile	31,454	3.0	57.8	32,633	3.7	59.0
Compulsory automobile liability	10,440	(3.8)	87.4	9,373	(10.2)	78.5
Others	4,677	40.3	49.3	5,598	19.7	52.7
Total	69,803	24.3	71.0	67,026	(4.0)	65.8

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

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

## Solvency margin ratio (non-consolidated)

(Yen in millions)

	As of March 31, 2019	As of December 31, 2019
(A) Total amount of solvency margin	155,193	152,238
Shareholders' equity less adjusting items	48,241	48,561
Reserve for price fluctuation	1,516	1,627
Contingency reserve	-	-
Catastrophe loss reserve	60,962	57,312
General allowance for doubtful accounts	3	45
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions before tax effect deductions	41,414	41,128
Unrealized gains (losses) on land	1,150	1,531
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	2,030
(B) Total amount of risks $\sqrt{(R_1+R_2)^2+(R_3+R_4)^2+R_5+R_6}$	25,443	26,492
General insurance risk (R <sub>1</sub> )	12,807	12,981
Third sector insurance risk (R <sub>2</sub> )	-	-
Assumed interest rate risk (R <sub>3</sub> )	928	891
Asset management risk (R <sub>4</sub> )	12,488	12,137
Business administration risk (R <sub>5</sub> )	649	668
Catastrophe risk (R <sub>6</sub> )	6,245	7,431
(C) Solvency margin ratio $[(A)/\{(B)\times 1/2\}]\times 100$	1,219.9%	1,149.2%

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

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

## Balance sheet

(Yen in millions)

	As of March 31, 2019		As of December 31, 2019		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
<b>Assets</b>		%		%	
Cash and bank deposits	45,384	90.25	43,400	88.31	(1,984)
Tangible fixed assets	93	0.19	195	0.40	101
Intangible fixed assets	0	0.00	0	0.00	-
Other assets	4,809	9.56	5,548	11.29	738
Allowance for doubtful accounts	(0)	(0.00)	(0)	(0.00)	0
<b>Total assets</b>	<b>50,287</b>	<b>100.00</b>	<b>49,143</b>	<b>100.00</b>	<b>(1,143)</b>
<b>Liabilities</b>					
Insurance liabilities	35,494	70.58	35,995	73.25	501
Outstanding claims	17,344		17,763		418
Underwriting reserves	18,150		18,232		82
Other liabilities	5,330	10.60	3,838	7.81	(1,491)
Income taxes payable	37		59		22
Lease obligations	12		79		66
Asset retirement obligations	50		48		(1)
Other liabilities	5,230		3,651		(1,579)
Provision for retirement benefits	215	0.43	254	0.52	38
Provision for employees' bonus	177	0.35	58	0.12	(118)
Deferred tax liabilities	0	0.00	0	0.00	(0)
<b>Total liabilities</b>	<b>41,218</b>	<b>81.97</b>	<b>40,147</b>	<b>81.69</b>	<b>(1,071)</b>
<b>Net assets</b>					
Share capital	29,303	58.27	29,303	59.63	-
Capital surplus	29,303	58.27	29,303	59.63	-
Additional paid-in capital	29,303		29,303		-
Retained earnings	(49,538)	(98.51)	(49,610)	(100.95)	(72)
Other retained earnings	(49,538)		(49,610)		(72)
Retained earnings carried forward	(49,538)		(49,610)		(72)
Total shareholders' equity	9,069	18.03	8,996	18.31	(72)
<b>Total net assets</b>	<b>9,069</b>	<b>18.03</b>	<b>8,996</b>	<b>18.31</b>	<b>(72)</b>
<b>Total liabilities and net assets</b>	<b>50,287</b>	<b>100.00</b>	<b>49,143</b>	<b>100.00</b>	<b>(1,143)</b>

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

## Statement of income

(Yen in millions)

	Nine months ended December 31, 2018 ( April 1, 2018 to December 31, 2018 )	Nine months ended December 31, 2019 ( April 1, 2019 to December 31, 2019 )	Increase (Decrease)
<b>Ordinary income</b>	22,204	23,342	1,138
<b>Underwriting income</b>	22,202	23,351	1,149
Net premiums written	22,190	23,336	1,146
Investment income on deposit premiums	11	14	2
<b>Investment income</b>	(9)	(12)	(2)
Interest and dividends	1	1	0
Transfer of investment income on deposit premiums	(11)	(14)	(2)
<b>Other ordinary income</b>	11	4	(7)
<b>Ordinary expenses</b>	25,378	23,360	(2,017)
<b>Underwriting expenses</b>	16,336	16,342	5
Net claims paid	12,900	13,975	1,075
Loss adjustment expenses	1,530	1,560	30
Agency commissions and brokerage	139	304	165
Provision for outstanding claims	1,266	418	(847)
Provision for underwriting reserves	499	82	(417)
<b>Operating and general administrative expenses</b>	6,168	7,015	846
<b>Other ordinary expenses</b>	2,872	2	(2,869)
Interest expenses	0	1	0
Amortization of deferred assets under Article 113 of the Insurance Business Act	2,870	-	(2,870)
<b>Ordinary profit (loss)</b>	(3,173)	(17)	3,155
<b>Extraordinary gains</b>	-	4	4
Other extraordinary gains	-	4	4
<b>Extraordinary losses</b>	0	12	12
Losses on disposal of fixed assets	0	12	12
<b>Income (loss) before income taxes</b>	(3,173)	(25)	3,147
<b>Income taxes - current</b>	9	47	37
<b>Income taxes - deferred</b>	(0)	(0)	0
<b>Total income taxes</b>	8	46	37
<b>Net income (loss)</b>	(3,182)	(72)	3,109
Underwriting profit (loss)	(303)	(7)	296
Loss ratio (W/P basis)	65.0 %	66.6 %	1.5 %
Expense ratio (W/P basis)	28.4	31.4	2.9
Combined ratio (W/P basis)	93.5	97.9	4.5
Loss ratio (private sector, E/I basis)	72.7	68.9	(3.8)
Expense ratio (private sector)	28.7	31.8	3.1
Combined ratio (private sector)	101.5	100.7	(0.7)

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

## Balance sheet

(Yen in millions)

	As of March 31, 2019		As of December 31, 2019		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
<b>Assets</b>		%		%	
Cash and bank deposits	73,472	0.99	85,437	0.99	11,964
Call loans	-	-	1	0.00	1
Receivables under securities borrowing transactions	9,084	0.12	1,930	0.02	(7,154)
Monetary receivables bought	138,998	1.88	-	-	(138,998)
Securities	6,934,724	93.89	8,342,563	96.44	1,407,839
Domestic government bonds	6,112,210		7,312,971		1,200,761
Domestic municipal bonds	25,348		42,492		17,144
Domestic corporate bonds	243,058		382,875		139,817
Domestic equity securities	166		196		30
Foreign securities	434,898		478,785		43,887
Others	119,042		125,241		6,198
Loans	96,219	1.30	100,632	1.16	4,412
Policy loans	96,219		100,632		4,412
Tangible fixed assets	1,135	0.02	1,256	0.01	120
Intangible fixed assets	27	0.00	27	0.00	-
Agency accounts receivable	478	0.01	269	0.00	(209)
Reinsurance accounts receivable	1,606	0.02	1,875	0.02	268
Other assets	131,031	1.77	117,565	1.36	(13,465)
Allowance for doubtful accounts	(821)	(0.01)	(718)	(0.01)	102
<b>Total assets</b>	<b>7,385,957</b>	<b>100.00</b>	<b>8,650,840</b>	<b>100.00</b>	<b>1,264,882</b>
<b>Liabilities</b>					
Insurance liabilities	6,602,207	89.39	6,885,240	79.59	283,033
Outstanding claims	64,634		66,335		1,701
Underwriting reserves	6,446,824		6,737,222		290,397
Reserve for dividends to policyholders	90,748		81,682		(9,066)
Agency accounts payable	5,764	0.08	4,449	0.05	(1,314)
Reinsurance accounts payable	2,062	0.03	1,648	0.02	(413)
Other liabilities	349,269	4.73	1,308,626	15.13	959,356
Payables under securities lending transactions	197,623		1,152,859		955,235
Income taxes payable	4,132		4,325		192
Lease obligations	107		242		134
Other liabilities	147,404		151,198		3,793
Provision for retirement benefits	6,940	0.09	7,763	0.09	822
Reserves under special laws	10,080	0.14	12,421	0.14	2,341
Reserve for price fluctuation	10,080		12,421		2,341
Deferred tax liabilities	30,755	0.42	35,623	0.41	4,868
<b>Total liabilities</b>	<b>7,007,080</b>	<b>94.87</b>	<b>8,255,774</b>	<b>95.43</b>	<b>1,248,693</b>
<b>Net assets</b>					
Share capital	55,000	0.74	55,000	0.64	-
Capital surplus	55,095	0.75	55,095	0.64	-
Additional paid-in capital	41,860		41,860		-
Other capital surplus	13,235		13,235		-
Retained earnings	47,749	0.65	50,614	0.59	2,864
Surplus reserve	13,140		13,140		-
Other retained earnings	34,609		37,474		2,864
Retained earnings carried forward	34,609		37,474		2,864
Total shareholders' equity	157,845	2.14	160,709	1.86	2,864
Unrealized gains (losses) on available-for-sale securities	211,705	2.87	224,123	2.59	12,417
Deferred gains (losses) on hedge transactions	9,326	0.13	10,233	0.12	907
Total valuation and translation adjustments	221,031	2.99	234,356	2.71	13,324
<b>Total net assets</b>	<b>378,876</b>	<b>5.13</b>	<b>395,066</b>	<b>4.57</b>	<b>16,189</b>
<b>Total liabilities and net assets</b>	<b>7,385,957</b>	<b>100.00</b>	<b>8,650,840</b>	<b>100.00</b>	<b>1,264,882</b>

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

## Statement of income

(Yen in millions)

	Nine months ended December 31, 2018 ( April 1, 2018 to December 31, 2018 )	Nine months ended December 31, 2019 ( April 1, 2019 to December 31, 2019 )	Increase (Decrease)
<b>Ordinary income</b>	726,581	723,196	(3,385)
<b>Insurance premiums and other</b>	647,825	627,792	(20,032)
Insurance premiums	641,867	622,220	(19,647)
<b>Investment income</b>	75,886	92,873	16,987
Interest and dividends	71,999	74,230	2,230
Gains on sales of securities	2,937	4,910	1,972
Gains on derivatives	869	-	(869)
Investment gains on separate accounts	-	13,597	13,597
<b>Other ordinary income</b>	2,869	2,529	(339)
<b>Ordinary expenses</b>	700,995	702,254	1,259
<b>Insurance claims and other</b>	342,136	299,237	(42,898)
Insurance claims	32,000	35,802	3,802
Annuity payments	46,855	46,135	(720)
Benefits	94,374	44,073	(50,301)
Surrender benefits	152,579	160,288	7,708
Other refunds	9,627	7,589	(2,037)
<b>Provision for underwriting reserves and other</b>	239,689	292,100	52,411
Provision for outstanding claims	5,810	1,701	(4,108)
Provision for underwriting reserves	233,878	290,397	56,519
Interest on reserve for dividends to policyholders	1	1	0
<b>Investment expenses</b>	24,892	12,624	(12,267)
Interest expenses	910	1,058	148
Losses on sales of securities	884	2	(882)
Losses on derivatives	-	7,710	7,710
Foreign exchange losses	7,983	3,851	(4,131)
Investment losses on separate accounts	15,112	-	(15,112)
<b>Operating expenses</b>	86,612	90,578	3,965
<b>Other ordinary expenses</b>	7,664	7,713	49
<b>Ordinary profit (loss)</b>	25,585	20,941	(4,644)
<b>Extraordinary losses</b>	1,703	2,348	644
<b>Reversal of reserve for dividends to policyholders</b>	2,669	6,658	3,989
<b>Income (loss) before income taxes</b>	26,551	25,252	(1,299)
<b>Income taxes - current</b>	5,884	7,601	1,716
<b>Income taxes - deferred</b>	1,722	(313)	(2,035)
<b>Total income taxes</b>	7,606	7,287	(318)
<b>Net income (loss)</b>	18,944	17,964	(980)

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

## Breakdown of ordinary profit (Core operating profit)

(Yen in millions)

		Nine months ended December 31, 2018 ( April 1, 2018 to December 31, 2018 )	Nine months ended December 31, 2019 ( April 1, 2019 to December 31, 2019 )	Increase (Decrease)
Core operating profit (loss)	A	32,368	29,537	(2,831)
Capital gains		2,937	5,121	2,184
Gains on sales of securities		2,937	4,910	1,972
Other capital gains		-	211	211
Capital losses		10,297	13,196	2,898
Losses on sales of securities		884	2	(882)
Losses on derivatives		614	9,306	8,691
Foreign exchange losses		7,983	3,851	(4,131)
Other capital losses		815	36	(779)
Net capital gains (losses)	B	(7,360)	(8,074)	(714)
Core operating profit (loss) including net capital gains (losses)	A+B	25,008	21,462	(3,545)
Non-recurring income		587	4	(583)
Reversal of contingency reserves		587	-	(587)
Decrease in specific allowance for doubtful accounts		-	4	4
Non-recurring losses		9	524	515
Provision for contingency reserves		-	524	524
Increase in specific allowance for doubtful accounts		9	-	(9)
Net non-recurring income (losses)	C	577	(520)	(1,098)
Ordinary profit (loss)	A+B+C	25,585	20,941	(4,644)

## Reference : Tokio Marine &amp; 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 December 31, 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	5,415	101.7	293,384	99.2
Individual annuities	532	93.8	22,837	91.9	516	96.9	21,875	95.8
Group insurance	-	-	22,660	95.1	-	-	22,406	98.9
Group annuities	-	-	32	98.6	-	-	31	98.3

## New policies

(Number in thousands, yen in 100 millions)

	Nine months ended December 31, 2018 ( April 1, 2018 to December 31, 2018 )				Nine months ended December 31, 2019 ( April 1, 2019 to December 31, 2019 )			
	Number of policies		Amount		Number of policies		Amount	
		% to December 31, 2017		% to December 31, 2017		% to December 31, 2018		% to December 31, 2018
Individual insurance	319	98.0	25,400	99.4	278	87.3	15,032	59.2
Individual annuities	-	-	-	-	-	-	-	-
Group insurance	-	-	63	39.0	-	-	119	187.7
Group annuities	-	-	-	-	-	-	-	-

## Annualized premiums

## Policies in force

(Yen in 100 millions)

	As of March 31, 2019		As of December 31, 2019	
		% to March 31, 2018		% to March 31, 2019
Individual insurance	7,089	102.6	6,977	98.4
Individual annuities	1,487	91.9	1,428	96.0
Total	8,577	100.6	8,405	98.0
Medical coverage, accelerated death benefits, etc.	1,916	108.1	2,002	104.5
Medical and cancer	1,636	107.9	1,709	104.4

## New policies

(Yen in 100 millions)

	Nine months ended December 31, 2018 ( April 1, 2018 to December 31, 2018 )		Nine months ended December 31, 2019 ( April 1, 2019 to December 31, 2019 )	
		% to December 31, 2017		% to December 31, 2018
Individual insurance	558	79.8	281	50.4
Individual annuities	-	-	-	-
Total	558	79.8	281	50.4
Medical coverage, accelerated death benefits, etc.	170	104.2	159	93.7
Medical and cancer	142	104.6	131	92.7



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

## Solvency margin ratio (non-consolidated)

(Yen in millions)

	As of March 31, 2019	As of December 31, 2019
(A) Total amount of solvency margin	848,530	893,899
Shareholders' equity less adjusting items	142,745	157,911
Reserve for price fluctuation	10,080	12,421
Contingency reserve	51,255	51,780
General allowance for doubtful accounts	462	371
(Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions before tax effect deductions) × 90%	264,631	280,153
Unrealized gains (losses) on land × 85%	-	-
Excess of continued Zillmerized reserve	319,977	315,600
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)	(116,200)
Deductions	-	-
Others	91,430	91,860
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	82,235	102,800
Insurance risk (R <sub>1</sub> )	16,661	16,648
Third sector insurance risk (R <sub>8</sub> )	6,248	6,366
Assumed interest rate risk (R <sub>2</sub> )	5,059	5,104
Minimum guarantee risk (R <sub>7</sub> )	2,439	2,380
Asset management risk (R <sub>3</sub> )	69,400	90,227
Business administration risk (R <sub>4</sub> )	1,996	2,414
(C) Solvency margin ratio $[(A)/\{(B) \times 1/2\}] \times 100$	2,063.6%	1,739.0%

## 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 on land, etc.
- 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.