

# Summary of Consolidated Business Results of Tokio Marine Holdings, Inc. under Japanese GAAP for the three months ended June 30, 2021



MEMBERSHIP  
August 6, 2021

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: August 6, 2021  
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, 2021 (April 1, 2021 to June 30, 2021)

### (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, 2021	1,455,425	2.9	216,851	55.1	159,727	61.0
Three months ended June 30, 2020	1,413,834	1.4	139,779	(6.9)	99,225	(12.0)

(Note) Comprehensive income:

Three months ended June 30, 2021	305,860 million yen	2,439.6 %
Three months ended June 30, 2020	12,043 million yen	(91.9) %

	Net income per share - Basic	Net income per share - Diluted
	yen	yen
Three months ended June 30, 2021	230.36	230.21
Three months ended June 30, 2020	142.14	142.05

### (2) Consolidated Financial Conditions

	Total assets	Net assets	Ratio of equity capital to total assets
	million yen	million yen	%
As of June 30, 2021	26,490,819	3,959,801	14.7
As of March 31, 2021	25,765,368	3,722,780	14.2

(Reference) Equity capital:

As of June 30, 2021	3,902,842 million yen
As of March 31, 2021	3,664,020 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 2020	-	135.00	-	100.00	235.00
Fiscal year 2021	-				
Fiscal year 2021 (Forecast)		107.50	-	107.50	215.00

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

2. Fiscal year 2020 Breakdown for Annual total Ordinary dividend 200 yen One-time dividend for the capital level adjustment(\*) 35 yen  
Fiscal year 2021 (Forecast) Breakdown for Annual total Ordinary dividend 215 yen One-time dividend for the capital level adjustment(\*) -

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

## 3. Consolidated Business Forecasts for the fiscal year 2021 (April 1, 2021 to March 31, 2022)

(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 2021	440,000	65.0	315,000	94.7	454.30

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

**\* Notes**

(1) Changes in significant subsidiaries during the three months ended June 30, 2021

(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: Yes

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

(c) Changes in accounting estimates: None

(d) Retrospective restatements: None

(Note) Please refer to Appendix p. 5 "1.Consolidated Financial Statements and Major Notes (5) Changes in accounting policies" for details.

(4) Number of shares issued (common stock)

(a) Total number of shares issued including treasury stock

As of June 30, 2021 697,500,000 shares

As of March 31, 2021 697,500,000 shares

(b) Number of treasury stock held

As of June 30, 2021 4,130,444 shares

As of March 31, 2021 4,226,975 shares

(c) Average number of shares outstanding

During the three months ended June 30, 2021 693,367,622 shares

During the three months ended June 30, 2020 698,038,131 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 business results for previous years, information available to the Company as of the release date of this document and certain assumptions. 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) Changes in accounting policies .....	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) .....	12
- E.design Insurance Co., Ltd. (non-consolidated) .....	15
- Tokio Marine & Nichido Life Insurance Co., Ltd. (non-consolidated) .....	17
Glossary of terminology .....	19

# 1. Consolidated Financial Statements and Major Notes

## (1) Consolidated Balance Sheet

(Yen in millions)

	As of March 31, 2021	As of June 30, 2021
<b>Assets</b>		
Cash and bank deposits	812,011	890,755
Receivables under resale agreements	999	3,499
Monetary receivables bought	1,377,728	1,451,810
Money trusts	2,378	2,422
Securities	18,741,600	19,024,843
Loans	1,626,615	1,763,781
Tangible fixed assets	334,501	336,720
Intangible fixed assets	1,054,990	1,099,948
Other assets	1,783,213	1,882,866
Net defined benefit assets	3,391	3,868
Deferred tax assets	37,224	39,784
Customers' liabilities under acceptances and guarantees	1,997	1,997
Allowance for doubtful accounts	(11,284)	(11,478)
<b>Total assets</b>	<b>25,765,368</b>	<b>26,490,819</b>
<b>Liabilities</b>		
Insurance liabilities	18,020,554	18,456,340
Outstanding claims	3,157,123	3,314,728
Underwriting reserves	14,863,430	15,141,611
Corporate bonds	230,597	219,163
Other liabilities	2,992,122	3,068,878
Net defined benefit liabilities	254,274	255,951
Provision for employees' bonus	75,210	44,932
Reserves under special laws	128,006	130,586
Reserve for price fluctuation	128,006	130,586
Deferred tax liabilities	321,141	337,043
Negative goodwill	18,682	16,125
Acceptances and guarantees	1,997	1,997
<b>Total liabilities</b>	<b>22,042,587</b>	<b>22,531,018</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	150,000	150,000
Retained earnings	1,788,764	1,878,247
Treasury stock	(23,211)	(22,680)
<b>Total shareholders' equity</b>	<b>1,915,553</b>	<b>2,005,567</b>
<b>Accumulated other comprehensive income</b>		
Unrealized gains (losses) on available-for-sale securities	1,908,438	1,871,563
Deferred gains (losses) on hedge transactions	2,787	5,578
Foreign currency translation adjustments	(149,098)	33,311
Remeasurements of defined benefit plans	(13,661)	(13,178)
<b>Total accumulated other comprehensive income</b>	<b>1,748,467</b>	<b>1,897,274</b>
<b>Stock acquisition rights</b>	<b>2,379</b>	<b>2,042</b>
<b>Non-controlling interests</b>	<b>56,380</b>	<b>54,915</b>
<b>Total net assets</b>	<b>3,722,780</b>	<b>3,959,801</b>
<b>Total liabilities and net assets</b>	<b>25,765,368</b>	<b>26,490,819</b>

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

(Yen in millions)

	Three months ended June 30, 2020 (April 1, 2020 to June 30, 2020)	Three months ended June 30, 2021 (April 1, 2021 to June 30, 2021)
<b>Ordinary income</b>	1,413,834	1,455,425
<b>Underwriting income</b>	1,187,904	1,229,033
Net premiums written	911,758	965,395
Deposit premiums from policyholders	22,049	18,279
Investment income on deposit premiums	9,565	8,492
Life insurance premiums	227,504	234,984
Reversal of outstanding claims	13,651	-
<b>Investment income</b>	195,881	192,156
Interest and dividends	127,919	145,702
Gains on money trusts	182	44
Gains on trading securities	-	6,041
Gains on sales of securities	49,984	35,734
Gains on redemption of securities	48	1,021
Investment gains on separate accounts	15,578	6,615
Transfer of investment income on deposit premiums	(9,565)	(8,492)
<b>Other ordinary income</b>	30,048	34,235
Amortization of negative goodwill	2,557	2,557
<b>Ordinary expenses</b>	1,274,055	1,238,573
<b>Underwriting expenses</b>	957,054	978,670
Net claims paid	458,601	476,697
Loss adjustment expenses	34,778	38,495
Agency commissions and brokerage	174,172	185,530
Maturity refunds to policyholders	32,282	35,116
Dividends to policyholders	1	1
Life insurance claims	100,052	104,887
Provision for outstanding claims	-	1,984
Provision for underwriting reserves	155,710	132,443
<b>Investment expenses</b>	89,103	18,960
Losses on trading securities	28,661	-
Losses on sales of securities	6,302	5,133
Impairment losses on securities	11,281	2,729
Losses on redemption of securities	116	31
Losses on derivatives	39,026	8,951
<b>Operating and general administrative expenses</b>	222,229	236,357
<b>Other ordinary expenses</b>	5,667	4,585
Interest expenses	3,826	2,084
Increase in allowance for doubtful accounts	702	83
Losses on bad debts	10	19
Equity in losses of affiliates	223	1,133
<b>Ordinary profit</b>	139,779	216,851

(Yen in millions)

	Three months ended June 30, 2020 (April 1, 2020 to June 30, 2020)	Three months ended June 30, 2021 (April 1, 2021 to June 30, 2021)
<b>Extraordinary gains</b>	282	3,333
Gains on disposal of fixed assets	23	3,333
Other extraordinary gains	258	-
<b>Extraordinary losses</b>	3,318	2,959
Losses on disposal of fixed assets	181	223
Impairment losses on fixed assets	231	156
Provision for reserves under special laws	2,441	2,580
Provision for reserve for price fluctuation	2,441	2,580
Other extraordinary losses	464	-
<b>Income before income taxes and non-controlling interests</b>	136,742	217,224
<b>Income taxes - current</b>	61,496	44,248
<b>Income taxes - deferred</b>	(22,345)	14,032
<b>Total income taxes</b>	39,151	58,281
<b>Net income</b>	97,591	158,943
<b>Net income (loss) attributable to non-controlling interests</b>	(1,634)	(783)
<b>Net income attributable to owners of the parent</b>	99,225	159,727

**(Consolidated Statement of Comprehensive Income)**

(Yen in millions)

	Three months ended June 30, 2020 (April 1, 2020 to June 30, 2020)	Three months ended June 30, 2021 (April 1, 2021 to June 30, 2021)
<b>Net income</b>	97,591	158,943
<b>Other comprehensive income</b>		
Unrealized gains (losses) on available-for-sale securities	(22,563)	(42,432)
Deferred gains (losses) on hedge transactions	(3,896)	2,790
Foreign currency translation adjustments	(48,771)	183,727
Remeasurements of defined benefit plans	800	484
Share of other comprehensive income of affiliates accounted for by the equity method	(11,116)	2,347
<b>Total other comprehensive income</b>	(85,547)	146,917
<b>Total comprehensive income</b>	12,043	305,860
Comprehensive income attributable to:		
Owners of the parent	15,060	308,535
Non-controlling interests	(3,016)	(2,674)

**(3) Notes regarding going concern assumption**

Not applicable.

**(4) Notes regarding significant changes in shareholders' equity**

Not applicable.

**(5) Changes in accounting policies**

The Company has applied "Accounting Standard for Fair Value Measurement" (ASBJ Statement No.30, July 4, 2019) and others from the beginning of the first quarter ended June 30, 2021.

In accordance with the transitional treatment set forth in Article 19 of "Accounting Standard for Fair Value Measurement" and Article 44-2 of "Accounting Standard for Financial Instruments" (ASBJ Statement No.10, July 4, 2019), the Company has applied a new accounting policy prescribed by "Accounting Standard for Fair Value Measurement" and others from the end of the first quarter.

As a result, the effect of applying this accounting standard on quarterly consolidated financial statements is immaterial.

## 2. Others

### (1) Summary of Consolidated Business Results

(Yen in millions)

	Three months ended June 30, 2020 (April 1, 2020 to June 30, 2020)	Three months ended June 30, 2021 (April 1, 2021 to June 30, 2021)	Increase (Decrease)	Rate of change
<b>Ordinary income and expenses</b>				
<b>Underwriting income</b>	1,187,904	1,229,033	41,128	3.5
Net premiums written	911,758	965,395	53,636	5.9
Deposit premiums from policyholders	22,049	18,279	(3,770)	(17.1)
Life insurance premiums	227,504	234,984	7,479	3.3
Reversal of outstanding claims	13,651	-	(13,651)	(100.0)
<b>Underwriting expenses</b>	957,054	978,670	21,615	2.3
Net claims paid	458,601	476,697	18,096	3.9
Loss adjustment expenses	34,778	38,495	3,716	10.7
Agency commissions and brokerage	174,172	185,530	11,357	6.5
Maturity refunds to policyholders	32,282	35,116	2,833	8.8
Life insurance claims	100,052	104,887	4,835	4.8
Provision for outstanding claims	-	1,984	1,984	-
Provision for underwriting reserves	155,710	132,443	(23,266)	(14.9)
<b>Investment income</b>	195,881	192,156	(3,724)	(1.9)
Interest and dividends	127,919	145,702	17,782	13.9
Gains on money trusts	182	44	(137)	(75.7)
Gains on trading securities	-	6,041	6,041	-
Gains on sales of securities	49,984	35,734	(14,249)	(28.5)
Investment gains on separate accounts	15,578	6,615	(8,963)	(57.5)
<b>Investment expenses</b>	89,103	18,960	(70,143)	(78.7)
Losses on trading securities	28,661	-	(28,661)	(100.0)
Losses on sales of securities	6,302	5,133	(1,168)	(18.5)
Impairment losses on securities	11,281	2,729	(8,552)	(75.8)
Losses on derivatives	39,026	8,951	(30,074)	(77.1)
<b>Operating and general administrative expenses</b>	222,229	236,357	14,128	6.4
<b>Other ordinary income and expenses</b>	24,381	29,650	5,269	21.6
Equity in earnings (losses) of affiliates	(223)	(1,133)	(910)	-
<b>Ordinary profit</b>	139,779	216,851	77,071	55.1
<b>Extraordinary gains and losses</b>				
<b>Extraordinary gains</b>	282	3,333	3,051	1,081.6
<b>Extraordinary losses</b>	3,318	2,959	(358)	(10.8)
<b>Extraordinary gains (losses)</b>	(3,036)	373	3,409	-
<b>Income before income taxes and non-controlling interests</b>	136,742	217,224	80,481	58.9
<b>Income taxes - current</b>	61,496	44,248	(17,248)	(28.0)
<b>Income taxes - deferred</b>	(22,345)	14,032	36,377	-
<b>Total income taxes</b>	39,151	58,281	19,129	48.9
<b>Net income</b>	97,591	158,943	61,352	62.9
<b>Net income (loss) attributable to non-controlling interests</b>	(1,634)	(783)	850	-
<b>Net income attributable to owners of the parent</b>	99,225	159,727	60,501	61.0



**(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, 2020 (April 1, 2020 to June 30, 2020)			Three months ended June 30, 2021 (April 1, 2021 to June 30, 2021)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	176,982	17.2	10.3	211,364	19.2	19.4
Hull and cargo	33,934	3.3	10.2	41,096	3.7	21.1
Personal accident	88,122	8.6	(3.0)	86,986	7.9	(1.3)
Voluntary automobile	367,617	35.7	1.2	381,475	34.6	3.8
Compulsory automobile liability	57,709	5.6	(22.5)	58,471	5.3	1.3
Others	304,354	29.6	2.6	324,254	29.4	6.5
Total	1,028,721	100.0	1.2	1,103,648	100.0	7.3
Deposit premiums from policyholders	22,049	2.1	5.4	18,279	1.7	(17.1)

(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, 2020 (April 1, 2020 to June 30, 2020)			Three months ended June 30, 2021 (April 1, 2021 to June 30, 2021)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	130,740	14.3	3.1	156,625	16.2	19.8
Hull and cargo	33,761	3.7	14.3	40,434	4.2	19.8
Personal accident	66,272	7.3	(4.6)	68,492	7.1	3.4
Voluntary automobile	365,512	40.1	0.4	375,294	38.9	2.7
Compulsory automobile liability	64,861	7.1	(5.9)	58,363	6.0	(10.0)
Others	250,611	27.5	1.7	266,184	27.6	6.2
Total	911,758	100.0	0.7	965,395	100.0	5.9

Net claims paid

(Yen in millions)

	Three months ended June 30, 2020 (April 1, 2020 to June 30, 2020)			Three months ended June 30, 2021 (April 1, 2021 to June 30, 2021)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	71,448	15.6	1.7	100,598	21.1	40.8
Hull and cargo	14,707	3.2	2.7	12,567	2.6	(14.5)
Personal accident	24,557	5.4	(6.3)	24,219	5.1	(1.4)
Voluntary automobile	181,288	39.5	(6.2)	181,506	38.1	0.1
Compulsory automobile liability	47,363	10.3	(5.2)	41,417	8.7	(12.6)
Others	119,237	26.0	17.5	116,387	24.4	(2.4)
Total	458,601	100.0	0.7	476,697	100.0	3.9

**(3) Securities**

## 1. Bonds held to maturity

(Yen in millions)

	As of March 31, 2021			As of June 30, 2021		
	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	5,062,128	5,710,272	648,144	5,060,566	5,706,584	646,018
Foreign securities	52,088	56,935	4,846	52,422	55,341	2,918
Total	5,114,216	5,767,207	652,991	5,112,989	5,761,925	648,936

## 2. Bonds earmarked for underwriting reserves

(Yen in millions)

	As of March 31, 2021			As of June 30, 2021		
	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	2,194,898	2,082,308	(112,590)	2,198,806	2,078,818	(119,988)
Total	2,194,898	2,082,308	(112,590)	2,198,806	2,078,818	(119,988)

## 3. Available-for-sale securities

(Yen in millions)

	As of March 31, 2021			As of June 30, 2021		
	Cost	Fair value shown on balance sheet	Unrealized gains (losses)	Cost	Fair value shown on balance sheet	Unrealized gains (losses)
Domestic debt securities	3,078,772	3,415,665	336,893	3,015,398	3,351,372	335,974
Domestic equity securities	517,780	2,462,640	1,944,859	510,541	2,469,463	1,958,922
Foreign securities	4,291,545	4,701,416	409,871	4,690,095	4,991,614	301,518
Others	1,383,464	1,424,526	41,062	1,423,067	1,466,919	43,852
Total	9,271,562	12,004,250	2,732,687	9,639,102	12,279,370	2,640,268

(Note) 1. As of March 31, 2021: Available-for-sale securities whose fair value cannot be measured reliably are not included in the table above.

As of June 30, 2021: Available-for-sale securities without a market price and Investments in Partnerships 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, 2021: cost 33,266 million yen, fair value 33,267 million yen, unrealized gains 0 million yen

As of June 30, 2021: cost 6,359 million yen, fair value 6,359 million yen, unrealized gains 0 million yen

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

As of March 31, 2021: cost 1,334,692 million yen, fair value 1,373,130 million yen, unrealized gains 38,437 million yen

As of June 30, 2021: cost 1,403,439 million yen, fair value 1,444,150 million yen, unrealized gains 40,711 million yen

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

Fiscal year 2020: 22,546 million yen (Domestic equity securities 243 million yen, Foreign securities 18,043 million yen, Others 4,259 million yen)

Three months ended June 30, 2021: 3,214 million yen (Domestic equity securities 2,214 million yen, Foreign securities 487 million yen, Others 512 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, 2021		As of June 30, 2021		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
<b>Assets</b>		%		%	
Cash and bank deposits	239,487	2.50	330,375	3.44	90,888
Receivables under resale agreements	999	0.01	3,499	0.04	2,499
Monetary receivables bought	89,215	0.93	63,058	0.66	(26,156)
Money trusts	2,378	0.02	2,422	0.03	44
Securities	8,016,247	83.83	8,018,803	83.58	2,555
Loans	235,671	2.46	231,342	2.41	(4,328)
Tangible fixed assets	214,246	2.24	211,327	2.20	(2,918)
Intangible fixed assets	45,990	0.48	55,144	0.57	9,153
Other assets	714,706	7.47	674,711	7.03	(39,995)
Prepaid pension costs	4,813	0.05	4,745	0.05	(68)
Customers' liabilities under acceptances and guarantees	1,997	0.02	1,997	0.02	-
Allowance for doubtful accounts	(3,304)	(0.03)	(3,227)	(0.03)	76
<b>Total assets</b>	<b>9,562,449</b>	<b>100.00</b>	<b>9,594,200</b>	<b>100.00</b>	<b>31,750</b>
<b>Liabilities</b>					
Insurance liabilities	5,498,921	57.51	5,474,346	57.06	(24,574)
Outstanding claims	1,083,504		1,053,883		(29,621)
Underwriting reserves	4,415,416		4,420,462		5,046
Corporate bonds	200,000	2.09	200,000	2.08	-
Other liabilities	484,699	5.07	409,332	4.27	(75,366)
Income taxes payable	67,936		31,245		(36,690)
Lease obligations	3,019		3,116		96
Asset retirement obligations	3,474		3,478		3
Other liabilities	410,268		371,492		(38,776)
Provision for retirement benefits	211,378	2.21	212,167	2.21	789
Provision for employees' bonus	21,220	0.22	9,852	0.10	(11,367)
Reserves under special laws	109,013	1.14	110,551	1.15	1,538
Reserve for price fluctuation	109,013		110,551		1,538
Deferred tax liabilities	98,874	1.03	115,799	1.21	16,924
Acceptances and guarantees	1,997	0.02	1,997	0.02	-
<b>Total liabilities</b>	<b>6,626,103</b>	<b>69.29</b>	<b>6,534,046</b>	<b>68.10</b>	<b>(92,057)</b>
<b>Net assets</b>					
Share capital	101,994	1.07	101,994	1.06	-
Capital surplus	135,434	1.42	135,434	1.41	-
Additional paid-in capital	123,521		123,521		-
Other capital surplus	11,913		11,913		-
Retained earnings	1,149,035	12.02	1,247,172	13.00	98,136
Surplus reserve	81,099		81,099		-
Other retained earnings	1,067,936		1,166,073		98,136
Reserve for advanced depreciation of fixed assets	22,507		22,507		-
Special reserves	235,426		235,426		-
Retained earnings carried forward	810,002		908,139		98,136
Total shareholders' equity	1,386,465	14.50	1,484,601	15.47	98,136
Unrealized gains (losses) on available-for-sale securities	1,555,074	16.26	1,579,199	16.46	24,125
Deferred gains (losses) on hedge transactions	(5,193)	(0.05)	(3,647)	(0.04)	1,546
Total valuation and translation adjustments	1,549,880	16.21	1,575,552	16.42	25,671
<b>Total net assets</b>	<b>2,936,346</b>	<b>30.71</b>	<b>3,060,154</b>	<b>31.90</b>	<b>123,807</b>
<b>Total liabilities and net assets</b>	<b>9,562,449</b>	<b>100.00</b>	<b>9,594,200</b>	<b>100.00</b>	<b>31,750</b>

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

## Statement of income

(Yen in millions)

	Three months ended June 30, 2020 ( April 1, 2020 to June 30, 2020 )	Three months ended June 30, 2021 ( April 1, 2021 to June 30, 2021 )	Increase (Decrease)
<b>Ordinary income</b>	724,818	748,594	23,775
<b>Underwriting income</b>	635,836	649,025	13,189
Net premiums written	570,932	593,145	22,213
Deposit premiums from policyholders	21,680	17,955	(3,724)
Investment income on deposit premiums	9,156	8,128	(1,028)
Reversal of outstanding claims	34,048	29,680	(4,367)
<b>Investment income</b>	86,653	96,731	10,077
Interest and dividends	54,491	79,734	25,243
Gains on money trusts	182	44	(137)
Gains on sales of securities	39,691	23,440	(16,251)
Transfer of investment income on deposit premiums	(9,156)	(8,128)	1,028
<b>Other ordinary income</b>	2,328	2,836	508
<b>Ordinary expenses</b>	579,065	570,056	(9,009)
<b>Underwriting expenses</b>	494,545	486,546	(7,998)
Net claims paid	279,019	301,479	22,460
Loss adjustment expenses	27,194	29,196	2,002
Agency commissions and brokerage	109,490	115,888	6,398
Maturity refunds to policyholders	31,424	34,158	2,734
Provision for underwriting reserves	47,232	5,046	(42,186)
<b>Investment expenses</b>	8,888	4,602	(4,285)
Losses on sales of securities	114	395	280
Impairment losses on securities	2,875	1,758	(1,116)
<b>Operating and general administrative expenses</b>	73,852	78,331	4,478
<b>Other ordinary expenses</b>	1,779	576	(1,203)
Interest expenses	1,646	484	(1,161)
<b>Ordinary profit (loss)</b>	145,753	178,538	32,785
<b>Extraordinary gains</b>	3	3,307	3,303
Gains on disposal of fixed assets	3	3,307	3,303
<b>Extraordinary losses</b>	2,154	1,756	(397)
Losses on disposal of fixed assets	170	218	47
Provision for reserves under special laws	1,519	1,538	18
Provision for reserve for price fluctuation	1,519	1,538	18
Impairment losses on shares of subsidiaries and affiliates	464	-	(464)
<b>Income (loss) before income taxes</b>	143,603	180,089	36,486
<b>Income taxes - current</b>	42,041	32,672	(9,368)
<b>Income taxes - deferred</b>	(8,464)	6,353	14,817
<b>Total income taxes</b>	33,577	39,026	5,448
<b>Net income (loss)</b>	110,025	141,063	31,037
Underwriting profit (loss)	74,666	92,601	17,934
Loss ratio (private sector, E/I basis)	46.2 %	51.7 %	5.5 %
Expense ratio (private sector)	31.4	31.3	(0.0)
Combined ratio (private sector)	77.5	83.0	5.5

**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, 2020 ( April 1, 2020 to June 30, 2020 )			Three months ended June 30, 2021 ( April 1, 2021 to June 30, 2021 )		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	95,787	15.5	5.5	105,301	16.3	9.9
Hull and cargo	17,604	2.8	2.6	20,053	3.1	13.9
Personal accident	54,753	8.8	(9.0)	57,736	8.9	5.4
Voluntary automobile	277,296	44.8	1.6	283,440	43.8	2.2
Compulsory automobile liability	54,043	8.7	(22.5)	55,046	8.5	1.9
Others	119,204	19.3	(0.5)	125,841	19.4	5.6
Total	618,689	100.0	(1.9)	647,420	100.0	4.6
Deposit premiums from policyholders	21,680	-	5.6	17,955	-	(17.2)

## Net premiums written

(Yen in millions)

	Three months ended June 30, 2020 ( April 1, 2020 to June 30, 2020 )			Three months ended June 30, 2021 ( April 1, 2021 to June 30, 2021 )		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	74,535	13.1	3.7	85,062	14.3	14.1
Hull and cargo	18,134	3.2	8.3	21,558	3.6	18.9
Personal accident	54,199	9.5	(8.4)	57,162	9.6	5.5
Voluntary automobile	276,578	48.4	1.5	282,542	47.6	2.2
Compulsory automobile liability	60,989	10.7	(5.7)	55,036	9.3	(9.8)
Others	86,494	15.1	3.0	91,783	15.5	6.1
Total	570,932	100.0	0.3	593,145	100.0	3.9

## Net claims paid

(Yen in millions)

	Three months ended June 30, 2020 ( April 1, 2020 to June 30, 2020 )			Three months ended June 30, 2021 ( April 1, 2021 to June 30, 2021 )		
	Amount	Rate of change	Loss ratio	Amount	Rate of change	Loss ratio
		%	%		%	%
Fire and allied lines	43,785	12.8	61.1	62,480	42.7	75.8
Hull and cargo	9,758	5.3	56.6	7,879	(19.3)	39.0
Personal accident	20,329	(4.7)	41.7	20,586	1.3	40.2
Voluntary automobile	124,400	(13.1)	50.8	134,084	7.8	53.7
Compulsory automobile liability	44,493	(5.0)	80.2	38,976	(12.4)	78.3
Others	36,252	4.9	44.5	37,471	3.4	43.6
Total	279,019	(5.1)	53.6	301,479	8.0	55.7

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

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

## Balance sheet

(Yen in millions)

	As of March 31, 2021		As of June 30, 2021		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
<b>Assets</b>		%		%	
Cash and bank deposits	96,445	23.92	85,366	21.58	(11,078)
Securities	220,636	54.73	218,459	55.24	(2,176)
Loans	155	0.04	129	0.03	(26)
Tangible fixed assets	28,730	7.13	28,589	7.23	(141)
Intangible fixed assets	1,853	0.46	2,038	0.52	185
Other assets	34,327	8.52	39,229	9.92	4,901
Prepaid pension costs	1,621	0.40	1,685	0.43	63
Deferred tax assets	19,639	4.87	20,317	5.14	677
Allowance for doubtful accounts	(274)	(0.07)	(319)	(0.08)	(45)
<b>Total assets</b>	<b>403,135</b>	<b>100.00</b>	<b>395,497</b>	<b>100.00</b>	<b>(7,638)</b>
<b>Liabilities</b>					
Insurance liabilities	290,317	72.01	286,353	72.40	(3,964)
Outstanding claims	47,909		46,127		(1,782)
Underwriting reserves	242,408		240,225		(2,182)
Other liabilities	20,554	5.10	22,026	5.57	1,471
Income taxes payable	5,036		7,764		2,728
Asset retirement obligations	11		11		-
Other liabilities	15,507		14,250		(1,256)
Provision for retirement benefits	4,305	1.07	4,367	1.10	61
Provision for employees' bonus	518	0.13	-	-	(518)
Reserves under special laws	1,924	0.48	2,666	0.67	742
Reserve for price fluctuation	1,924		2,666		742
<b>Total liabilities</b>	<b>317,621</b>	<b>78.79</b>	<b>315,413</b>	<b>79.75</b>	<b>(2,207)</b>
<b>Net assets</b>					
Share capital	20,389	5.06	20,389	5.16	-
Capital surplus	15,518	3.85	12,620	3.19	(2,898)
Additional paid-in capital	12,620		12,620		-
Other capital surplus	2,898		-		(2,898)
Retained earnings	33,168	8.23	31,039	7.85	(2,128)
Surplus reserve	7,769		7,769		-
Other retained earnings	25,399		23,270		(2,128)
Reserve for advanced depreciation of fixed assets	1,663		1,663		-
Retained earnings carried forward	23,735		21,606		(2,128)
Total shareholders' equity	69,076	17.13	64,049	16.19	(5,027)
Unrealized gains (losses) on available-for-sale securities	16,437	4.08	16,033	4.05	(404)
Total valuation and translation adjustments	16,437	4.08	16,033	4.05	(404)
<b>Total net assets</b>	<b>85,514</b>	<b>21.21</b>	<b>80,083</b>	<b>20.25</b>	<b>(5,431)</b>
<b>Total liabilities and net assets</b>	<b>403,135</b>	<b>100.00</b>	<b>395,497</b>	<b>100.00</b>	<b>(7,638)</b>

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

## Statement of income

(Yen in millions)

	Three months ended June 30, 2020 ( April 1, 2020 to June 30, 2020 )	Three months ended June 30, 2021 ( April 1, 2021 to June 30, 2021 )	Increase (Decrease)
<b>Ordinary income</b>	39,300	44,454	5,153
<b>Underwriting income</b>	38,350	42,201	3,851
Net premiums written	37,097	37,510	412
Deposit premiums from policyholders	368	323	(45)
Investment income on deposit premiums	403	359	(43)
Reversal of outstanding claims	479	1,782	1,302
Reversal of underwriting reserves	-	2,182	2,182
<b>Investment income</b>	923	2,219	1,295
Interest and dividends	797	750	(47)
Gains on sales of securities	529	1,828	1,298
Transfer of investment income on deposit premiums	(403)	(359)	43
<b>Other ordinary income</b>	26	32	6
<b>Ordinary expenses</b>	34,577	35,472	894
<b>Underwriting expenses</b>	28,638	29,891	1,253
Net claims paid	17,176	19,469	2,292
Loss adjustment expenses	2,432	2,548	115
Agency commissions and brokerage	6,804	6,846	41
Maturity refunds to policyholders	858	958	99
Provision for underwriting reserves	1,285	-	(1,285)
<b>Investment expenses</b>	213	106	(106)
Losses on sales of securities	0	0	(0)
Impairment losses on securities	13	65	52
Losses on derivatives	178	33	(144)
<b>Operating and general administrative expenses</b>	5,668	5,385	(283)
<b>Other ordinary expenses</b>	57	88	31
<b>Ordinary profit (loss)</b>	4,722	8,982	4,259
<b>Extraordinary gains</b>	0	1	1
Gains on disposal of fixed assets	0	1	1
<b>Extraordinary losses</b>	55	742	687
Losses on disposal of fixed assets	2	0	(2)
Provision for reserves under special laws	52	742	689
Provision for reserve for price fluctuation	52	742	689
<b>Income (loss) before income taxes</b>	4,667	8,241	3,573
<b>Income taxes - current</b>	2,203	2,590	386
<b>Income taxes - deferred</b>	(856)	(421)	434
<b>Total income taxes</b>	1,347	2,168	821
<b>Net income (loss)</b>	3,320	6,072	2,751
Underwriting profit (loss)	4,620	7,354	2,734
Loss ratio (private sector, E/I basis)	49.6 %	52.9 %	3.3 %
Expense ratio (private sector)	34.4	32.6	(1.8)
Combined ratio (private sector)	84.1	85.5	1.4

**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, 2020 ( April 1, 2020 to June 30, 2020 )			Three months ended June 30, 2021 ( April 1, 2021 to June 30, 2021 )		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
Fire and allied lines	6,861	17.3	(9.3)	7,417	18.2	8.1
Hull and cargo	-	-	-	-	-	-
Personal accident	1,868	4.7	(13.0)	1,823	4.5	(2.4)
Voluntary automobile	22,727	57.3	2.3	23,035	56.7	1.4
Compulsory automobile liability	3,665	9.2	(23.2)	3,424	8.4	(6.6)
Others	4,568	11.5	6.0	4,952	12.2	8.4
Total	39,691	100.0	(3.2)	40,653	100.0	2.4
Deposit premiums from policyholders	368	-	(5.5)	323	-	(12.3)

## Net premiums written

(Yen in millions)

	Three months ended June 30, 2020 ( April 1, 2020 to June 30, 2020 )			Three months ended June 30, 2021 ( April 1, 2021 to June 30, 2021 )		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
Fire and allied lines	4,374	11.8	(15.5)	4,695	12.5	7.3
Hull and cargo	-	-	(100.0)	-	-	-
Personal accident	1,854	5.0	(13.1)	1,809	4.8	(2.4)
Voluntary automobile	22,651	61.1	2.2	22,954	61.2	1.3
Compulsory automobile liability	3,776	10.2	(8.7)	3,247	8.7	(14.0)
Others	4,440	12.0	5.4	4,803	12.8	8.2
Total	37,097	100.0	(1.9)	37,510	100.0	1.1

## Net claims paid

(Yen in millions)

	Three months ended June 30, 2020 ( April 1, 2020 to June 30, 2020 )			Three months ended June 30, 2021 ( April 1, 2021 to June 30, 2021 )		
	Amount	Rate of change	Loss ratio	Amount	Rate of change	Loss ratio
Fire and allied lines	2,666	4.5	64.7	4,868	82.6	107.4
Hull and cargo	0	(12.9)	-	0	(98.4)	-
Personal accident	717	(5.1)	44.1	607	(15.4)	39.5
Voluntary automobile	9,104	(6.9)	48.1	9,677	6.3	50.0
Compulsory automobile liability	2,798	(8.8)	79.4	2,368	(15.4)	79.5
Others	1,889	11.2	46.5	1,947	3.1	45.6
Total	17,176	(3.8)	52.9	19,469	13.3	58.7

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



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

## Balance sheet

(Yen in millions)

	As of March 31, 2021		As of June 30, 2021		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
<b>Assets</b>		%		%	
Cash and bank deposits	41,961	73.31	41,174	71.97	(786)
Tangible fixed assets	237	0.42	229	0.40	(8)
Intangible fixed assets	10,288	17.97	10,054	17.57	(234)
Other assets	4,754	8.31	5,750	10.05	995
Allowance for doubtful accounts	(0)	(0.00)	(0)	(0.00)	(0)
<b>Total assets</b>	<b>57,242</b>	<b>100.00</b>	<b>57,208</b>	<b>100.00</b>	<b>(34)</b>
<b>Liabilities</b>					
Insurance liabilities	38,938	68.02	39,844	69.65	906
Outstanding claims	18,103		18,097		(6)
Underwriting reserves	20,834		21,746		912
Other liabilities	6,363	11.12	4,943	8.64	(1,420)
Income taxes payable	585		45		(540)
Lease obligations	65		62		(3)
Asset retirement obligations	74		76		1
Other liabilities	5,637		4,759		(877)
Provision for retirement benefits	333	0.58	347	0.61	14
Provision for employees' bonus	170	0.30	66	0.12	(103)
Deferred tax liabilities	2	0.00	2	0.00	-
<b>Total liabilities</b>	<b>45,807</b>	<b>80.02</b>	<b>45,203</b>	<b>79.02</b>	<b>(603)</b>
<b>Net assets</b>					
Share capital	29,303	51.19	29,303	51.22	-
Capital surplus	29,303	51.19	29,303	51.22	-
Additional paid-in capital	29,303		29,303		-
Retained earnings	(47,172)	(82.41)	(46,602)	(81.46)	569
Other retained earnings	(47,172)		(46,602)		569
Retained earnings carried forward	(47,172)		(46,602)		569
Total shareholders' equity	11,434	19.98	12,004	20.98	569
<b>Total net assets</b>	<b>11,434</b>	<b>19.98</b>	<b>12,004</b>	<b>20.98</b>	<b>569</b>
<b>Total liabilities and net assets</b>	<b>57,242</b>	<b>100.00</b>	<b>57,208</b>	<b>100.00</b>	<b>(34)</b>

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

## Statement of income

(Yen in millions)

	Three months ended June 30, 2020 ( April 1, 2020 to June 30, 2020 )	Three months ended June 30, 2021 ( April 1, 2021 to June 30, 2021 )	Increase (Decrease)
<b>Ordinary income</b>	9,488	8,912	(575)
<b>Underwriting income</b>	9,490	8,906	(583)
Net premiums written	8,635	8,895	260
Investment income on deposit premiums	5	5	(0)
Reversal of outstanding claims	850	6	(843)
<b>Investment income</b>	(4)	(4)	(0)
Interest and dividends	0	0	(0)
Transfer of investment income on deposit premiums	(5)	(5)	0
<b>Other ordinary income</b>	2	10	7
<b>Ordinary expenses</b>	7,291	8,298	1,006
<b>Underwriting expenses</b>	5,204	5,637	432
Net claims paid	3,592	3,789	197
Loss adjustment expenses	513	830	316
Agency commissions and brokerage	90	105	14
Provision for underwriting reserves	1,008	912	(95)
<b>Operating and general administrative expenses</b>	2,085	2,659	573
<b>Other ordinary expenses</b>	0	1	0
Interest expenses	0	0	(0)
<b>Ordinary profit (loss)</b>	2,196	614	(1,582)
<b>Income (loss) before income taxes</b>	2,196	614	(1,582)
<b>Income taxes - current</b>	289	44	(244)
<b>Income taxes - deferred</b>	(0)	-	0
<b>Total income taxes</b>	289	44	(244)
<b>Net income (loss)</b>	1,907	569	(1,337)
Underwriting profit (loss)	2,199	609	(1,589)
Loss ratio (private sector, E/I basis)	40.6 %	55.4 %	14.7 %
Expense ratio (private sector)	25.5	31.4	5.9
Combined ratio (private sector)	66.1	86.7	20.6

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

## Balance sheet

(Yen in millions)

	As of March 31, 2021		As of June 30, 2021		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
<b>Assets</b>		%		%	
Cash and bank deposits	63,670	0.67	69,810	0.74	6,139
Securities	9,209,345	97.02	9,191,343	97.06	(18,001)
Domestic government bonds	8,040,882		8,019,519		(21,362)
Domestic municipal bonds	44,051		29,775		(14,275)
Domestic corporate bonds	486,161		489,023		2,862
Domestic equity securities	215		202		(12)
Foreign securities	491,873		500,226		8,352
Others	146,161		152,595		6,434
Loans	95,012	1.00	93,534	0.99	(1,477)
Policy loans	95,012		93,534		(1,477)
Tangible fixed assets	1,023	0.01	1,028	0.01	5
Intangible fixed assets	4,924	0.05	5,932	0.06	1,007
Agency accounts receivable	304	0.00	285	0.00	(19)
Reinsurance accounts receivable	1,250	0.01	1,384	0.01	134
Other assets	116,975	1.23	106,865	1.13	(10,109)
Allowance for doubtful accounts	(694)	(0.01)	(610)	(0.01)	84
<b>Total assets</b>	<b>9,491,812</b>	<b>100.00</b>	<b>9,469,575</b>	<b>100.00</b>	<b>(22,236)</b>
<b>Liabilities</b>					
Insurance liabilities	7,380,511	77.76	7,463,479	78.82	82,967
Outstanding claims	64,135		67,677		3,541
Underwriting reserves	7,248,380		7,330,711		82,331
Reserve for dividends to policyholders	67,996		65,090		(2,905)
Agency accounts payable	6,282	0.07	5,103	0.05	(1,179)
Reinsurance accounts payable	1,980	0.02	1,822	0.02	(158)
Other liabilities	1,669,995	17.59	1,592,025	16.81	(77,970)
Payables under securities lending transactions	1,509,051		1,443,627		(65,424)
Income taxes payable	6,865		2,214		(4,650)
Lease obligations	152		154		2
Other liabilities	153,926		146,028		(7,897)
Provision for retirement benefits	8,402	0.09	8,609	0.09	207
Reserves under special laws	17,069	0.18	17,368	0.18	299
Reserve for price fluctuation	17,069		17,368		299
Deferred tax liabilities	19,251	0.20	22,887	0.24	3,635
<b>Total liabilities</b>	<b>9,103,494</b>	<b>95.91</b>	<b>9,111,297</b>	<b>96.22</b>	<b>7,802</b>
<b>Net assets</b>					
Share capital	55,000	0.58	55,000	0.58	-
Capital surplus	41,860	0.44	41,860	0.44	-
Additional paid-in capital	41,860		41,860		-
Retained earnings	108,204	1.14	71,918	0.76	(36,285)
Surplus reserve	13,140		13,140		-
Other retained earnings	95,064		58,778		(36,285)
Retained earnings carried forward	95,064		58,778		(36,285)
Total shareholders' equity	205,064	2.16	168,778	1.78	(36,285)
Unrealized gains (losses) on available-for-sale securities	177,454	1.87	182,328	1.93	4,873
Deferred gains (losses) on hedge transactions	5,798	0.06	7,171	0.08	1,372
Total valuation and translation adjustments	183,253	1.93	189,499	2.00	6,246
<b>Total net assets</b>	<b>388,317</b>	<b>4.09</b>	<b>358,278</b>	<b>3.78</b>	<b>(30,039)</b>
<b>Total liabilities and net assets</b>	<b>9,491,812</b>	<b>100.00</b>	<b>9,469,575</b>	<b>100.00</b>	<b>(22,236)</b>

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

## Statement of income

(Yen in millions)

	Three months ended June 30, 2020 ( April 1, 2020 to June 30, 2020 )	Three months ended June 30, 2021 ( April 1, 2021 to June 30, 2021 )	Increase (Decrease)
<b>Ordinary income</b>	240,184	233,178	(7,005)
<b>Insurance premiums and other</b>	198,555	196,867	(1,688)
Insurance premiums	196,348	194,804	(1,543)
<b>Investment income</b>	40,608	34,525	(6,082)
Interest and dividends	24,530	24,823	292
Gains on sales of securities	200	2,745	2,544
Foreign exchange gains	211	242	31
Investment gains on separate accounts	15,578	6,615	(8,963)
<b>Other ordinary income</b>	1,020	1,785	765
<b>Ordinary expenses</b>	228,238	220,725	(7,513)
<b>Insurance claims and other</b>	106,669	99,525	(7,144)
Insurance claims	12,321	12,128	(192)
Annuity payments	15,011	13,187	(1,824)
Benefits	15,855	12,834	(3,021)
Surrender benefits	58,978	57,306	(1,672)
Other refunds	2,618	2,210	(407)
<b>Provision for underwriting reserves and other</b>	90,565	85,874	(4,691)
Provision for outstanding claims	160	3,541	3,381
Provision for underwriting reserves	90,405	82,331	(8,073)
Interest on reserve for dividends to policyholders	0	0	0
<b>Investment expenses</b>	2,698	3,645	947
Interest expenses	560	527	(33)
Losses on sales of securities	0	2,722	2,722
Losses on derivatives	2,137	396	(1,741)
<b>Operating expenses</b>	25,471	28,440	2,968
<b>Other ordinary expenses</b>	2,832	3,239	407
<b>Ordinary profit (loss)</b>	11,945	12,453	507
<b>Extraordinary losses</b>	870	300	(570)
<b>Reversal of reserve for dividends to policyholders</b>	1,168	1,931	763
<b>Income (loss) before income taxes</b>	12,243	14,084	1,841
<b>Income taxes - current</b>	2,489	2,763	274
<b>Income taxes - deferred</b>	1,274	1,206	(68)
<b>Total income taxes</b>	3,764	3,970	205
<b>Net income (loss)</b>	8,479	10,114	1,635

## Glossary of terminology

- Underwriting profit (loss)

Underwriting profit (loss) = 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

- 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)

\*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

- Combined ratio (private sector)

Combined ratio (private sector) = Loss ratio (private sector, E/I basis) + Expense ratio (private sector)