

Summary of Consolidated Business Results of Tokio Marine Holdings, Inc. under Japanese GAAP for the fiscal year ended March 31, 2023



MEMBERSHIP
May 19, 2023

Company Name: Tokio Marine Holdings, Inc. (the "Company")
Securities Code Number: 8766
(URL: <https://www.tokiomarinehd.com/en/>)
Representative: Satoru Komiya, President
Contact: Toshihiro Yahata, Global Communications Dept. (Tel: +81-3-6704-4268)
Scheduled date of Ordinary General Meeting of Shareholders: June 26, 2023
Scheduled date to commence dividend payments: June 27, 2023
Scheduled date to file Securities Report: June 23, 2023
Supplementary information for financial statements: Available
IR Conference Call: To be held for analysts

Stock Exchange Listing: Tokyo

(Note) All amounts are rounded down and all percentages are rounded.

1. Consolidated Business Results for the fiscal year 2022 (April 1, 2022 to March 31, 2023)

(1) Consolidated Results of Operations

(Note) Percentages represent changes from the previous fiscal year.

	Ordinary income		Ordinary profit		Net income attributable to owners of the parent	
	million yen	%	million yen	%	million yen	%
Fiscal year 2022	6,648,600	13.4	503,907	(11.2)	376,447	(10.5)
Fiscal year 2021	5,863,770	7.4	567,413	112.7	420,484	159.9

(Note) Comprehensive income:

Fiscal year 2022	(116,412) million yen	- %
Fiscal year 2021	590,780 million yen	27.0 %

	Net income per share - Basic	Net income per share - Diluted	Ratio of net income to equity capital	Ratio of ordinary profit to total assets	Ratio of ordinary profit to ordinary income
	yen	yen	%	%	%
Fiscal year 2022	187.33	187.33	9.8	1.8	7.6
Fiscal year 2021	204.48	204.42	10.9	2.1	9.7

(Reference) Equity in earnings (losses) of affiliates:

Fiscal year 2022	(104,887) million yen
Fiscal year 2021	(3,034) million yen

(Note) The Company implemented a stock split by a ratio of three shares per share with an effective date of October 1, 2022. "Net income per share - Basic" and "Net income per share - Diluted" are calculated based on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

(2) Consolidated Financial Conditions

	Total assets	Net assets	Ratio of equity capital to total assets	Net assets per share
	million yen	million yen	%	yen
As of March 31, 2023	27,699,816	3,657,849	13.1	1,823.65
As of March 31, 2022	27,245,852	4,072,625	14.8	1,977.35

(Reference) Equity capital:

As of March 31, 2023	3,631,084 million yen
As of March 31, 2022	4,020,641 million yen

(Note) The Company implemented a stock split by a ratio of three shares per share with an effective date of October 1, 2022. "Net assets per share" is calculated based on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
	million yen	million yen	million yen	million yen
Fiscal year 2022	1,007,582	18,193	(1,009,226)	985,382
Fiscal year 2021	1,102,240	(665,444)	(504,629)	912,216

2. Dividends

	Cash dividends per share					Total amount of annual dividends	Ratio of cash dividends to consolidated net income	Ratio of cash dividends to consolidated net assets
	First quarter	Second quarter	Third quarter	Year-end	Annual total			
	yen	yen	yen	yen	yen	million yen	%	%
Fiscal year 2021	-	120.00	-	135.00	255.00	173,945	41.6	4.5
Fiscal year 2022	-	150.00	-	50.00	-	200,201	53.4	5.3
Fiscal year 2023 (Forecast)	-	60.50	-	60.50	121.00		45.5	

(Note) The Company implemented a stock split by a ratio of three shares per share with an effective date of October 1, 2022. For Fiscal year 2022, the amount of Year-end dividend per share is presented taking the stock split into account and Annual total dividends per share is presented as "-". With the assumption that the stock split was implemented at the beginning of Fiscal year 2021, the amount of Annual total dividends per share for Fiscal year 2021 is 85 yen and the amount of Annual total dividends per share for Fiscal year 2022 is 100 yen.

3. Consolidated Business Forecasts for the fiscal year 2023 (April 1, 2023 to March 31, 2024)

(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 2023	750,000	48.8	530,000	40.8	266.18

*Notes

(1) Changes in significant subsidiaries during the fiscal year 2022

(Changes in specified subsidiaries that resulted in a change in the scope of consolidation): None

(2) 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. 12 "3. Consolidated Financial Statements and Major Notes (6) Changes in accounting policies" for details.

(3) Number of shares issued (common stock)

(a) Total number of shares issued including treasury stock

As of March 31, 2023 2,002,500,000 shares

As of March 31, 2022 2,040,000,000 shares

(b) Number of treasury stock held

As of March 31, 2023 11,396,327 shares

As of March 31, 2022 6,652,680 shares

(c) Average number of shares outstanding

During the fiscal year 2022 2,009,454,159 shares

During the fiscal year 2021 2,056,279,150 shares

(Note) The Company implemented a stock split by a ratio of three shares per share with an effective date of October 1, 2022. Number of shares issued (common stock) are calculated based on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

***"Summary of Consolidated Business Results" is outside the scope of external audit.**

*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 affected by various factors.

For key assumptions for the business forecasts and other related information, please refer to Appendix p. 3 "1. Overview of Business results (3) Consolidated Business Forecasts for the fiscal year 2023".

Contents of Appendix

1. Overview of Business results	2
(1) Consolidated Results of Operations for the fiscal year 2022	2
(2) Consolidated Financial Conditions as of March 31, 2023	2
(3) Consolidated Business Forecasts for the fiscal year 2023	3
2. Basic Approach to the Selection of Accounting Standards	3
3. Consolidated Financial Statements and Major Notes	4
(1) Consolidated Balance Sheet	4
(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income	5
(3) Consolidated Statement of Changes in Shareholders' Equity	8
(4) Consolidated Statement of Cash Flows	10
(5) Notes regarding going concern assumption	12
(6) Changes in accounting policies	12
(7) Notes to Consolidated Financial Statements	12
Segment information	12
Per share information	13
Subsequent events	14
4. Others	15
(1) Summary of Consolidated Business Results	15
(2) Premiums written and claims paid by lines of business	16
(3) Securities	17

1. Overview of Business results

(1) Consolidated Results of Operations for the fiscal year 2022

During the fiscal year 2022, the world economy remained on the recovery path that started in the fiscal year 2021. The pace of recovery, however, slowed due to record price inflation caused by such factors as surging energy prices and supply constraints. The Japanese economy gradually recovered, mainly driven by personal consumption, despite the impact of price inflation, due to the gradual relaxation of restrictions relating to the spread of the novel coronavirus (COVID-19) and the ongoing normalization of economic activities.

Under these circumstances, as a result of our efforts to expand our domestic and overseas business, which is centered on non-life insurance and life insurance, our consolidated results of operations for the fiscal year 2022 were as follows:

Ordinary income increased by 784.8 billion yen to 6,648.6 billion yen from the previous fiscal year, the main components of which were Underwriting income of 5,634.8 billion yen and Investment income of 875.4 billion yen. Ordinary expenses increased by 848.3 billion yen to 6,144.6 billion yen from the previous fiscal year, the main components of which were Underwriting expenses of 4,666.0 billion yen, Investment expenses of 203.9 billion yen, and Operating and general administrative expenses of 1,135.6 billion yen.

As a result, Ordinary profit decreased by 63.5 billion yen to 503.9 billion yen from the previous fiscal year.

Net income attributable to owners of the parent, composed of Ordinary profit plus Extraordinary gains minus Extraordinary losses and Total income taxes, decreased by 44.0 billion yen to 376.4 billion yen from the previous fiscal year.

Results by our reportable segments are as follows:

In the Domestic non-life insurance business, Ordinary income increased by 190.5 billion yen to 3,040.6 billion yen from the previous fiscal year. Ordinary profit decreased by 18.0 billion yen to 284.5 billion yen from the previous fiscal year.

In the Domestic life insurance business, Ordinary income decreased by 14.7 billion yen to 699.6 billion yen from the previous fiscal year. Ordinary profit decreased by 17.8 billion yen to 51.7 billion yen from the previous fiscal year.

In the International insurance business, Ordinary income increased by 699.9 billion yen to 2,964.7 billion yen from the previous fiscal year. Ordinary profit decreased by 25.9 billion yen to 159.5 billion yen from the previous fiscal year.

(2) Consolidated Financial Conditions as of March 31, 2023

As of March 31, 2023, consolidated total assets was 27,699.8 billion yen, an increase of 453.9 billion yen from that as of March 31, 2022.

Cash flows for the fiscal year 2022 were as follows:

Net cash provided by operating activities decreased by 94.6 billion yen to 1,007.5 billion yen compared to the previous fiscal year. Net cash provided by investing activities increased by 683.6 billion yen to 18.1 billion yen. Net cash used in financing activities increased by 504.5 billion yen to 1,009.2 billion yen.

As a result, Cash and cash equivalents at end of year was 985.3 billion yen, an increase of 73.1 billion yen from that as of March 31, 2022.

(3) Consolidated Business Forecasts for the fiscal year 2023

The Company's consolidated business forecasts for the fiscal year 2023 are 750.0 billion yen for Ordinary profit and 530.0 billion yen for Net income attributable to owners of the parent. The forecasts are based on the following assumptions:

- Net premiums written and Life insurance premiums are projected to be 4,590.0 billion yen and 1,030.0 billion yen respectively.
- Net incurred losses related to natural catastrophes occurring during the period are projected to be 76.0 billion yen in Japan and 68.0 billion yen outside Japan.
- The Company basically assumes there will be no significant changes in interest rates and stock market conditions from those as of March 31, 2023 for Japanese subsidiaries and as of December 31, 2022 for overseas subsidiaries.
- The Company assumes there will be no significant changes in exchange rates from those as of March 31, 2023.

The above 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 affected by various factors.

2. Basic Approach to the Selection of Accounting Standards

The Company is preparing to adopt International Financial Reporting Standards ("IFRS") from year end reporting of fiscal year 2025 to enhance comparability of the Company's financial information internationally and to unify accounting policies within the Group.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheet

(Yen in millions)

	As of March 31, 2022	As of March 31, 2023
Assets		
Cash and bank deposits	848,819	871,993
Receivables under resale agreements	3,999	999
Monetary receivables bought	1,630,523	1,863,824
Money trusts	-	8,000
Securities	19,288,018	18,489,522
Loans	2,008,708	2,576,446
Tangible fixed assets	344,703	399,817
Land	133,930	132,547
Buildings	155,392	204,194
Construction in progress	5,650	4,919
Other tangible fixed assets	49,729	58,155
Intangible fixed assets	1,082,579	1,165,860
Software	157,580	224,927
Goodwill	453,433	428,601
Other intangible fixed assets	471,565	512,330
Other assets	1,996,932	2,262,950
Net defined benefit assets	4,523	3,717
Deferred tax assets	46,252	77,800
Customers' liabilities under acceptances and guarantees	1,878	1,759
Allowance for doubtful accounts	(11,089)	(22,876)
Total assets	27,245,852	27,699,816
Liabilities		
Insurance liabilities	19,246,028	20,807,869
Outstanding claims	3,609,687	4,287,286
Underwriting reserves	15,636,341	16,520,582
Corporate bonds	219,795	222,811
Other liabilities	2,945,481	2,376,340
Payables under securities lending transactions	1,157,261	461,324
Other liabilities	1,788,219	1,915,015
Net defined benefit liabilities	259,198	255,437
Provision for employees' bonus	85,893	97,559
Provision for share awards	3,410	3,401
Reserves under special laws	138,331	132,394
Reserve for price fluctuation	138,331	132,394
Deferred tax liabilities	264,754	137,746
Negative goodwill	8,453	6,645
Acceptances and guarantees	1,878	1,759
Total liabilities	23,173,226	24,041,966
Net assets		
Shareholders' equity		
Share capital	150,000	150,000
Retained earnings	1,954,445	2,042,054
Treasury stock	(13,179)	(28,056)
Total shareholders' equity	2,091,265	2,163,998
Accumulated other comprehensive income		
Unrealized gains (losses) on available-for-sale securities	1,835,605	954,650
Deferred gains (losses) on hedge transactions	(1,551)	(8,755)
Foreign currency translation adjustments	110,335	535,662
Remeasurements of defined benefit plans	(15,011)	(14,471)
Total accumulated other comprehensive income	1,929,376	1,467,085
Stock acquisition rights	33	33
Non-controlling interests	51,949	26,731
Total net assets	4,072,625	3,657,849
Total liabilities and net assets	27,245,852	27,699,816

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

(Yen in millions)

	Fiscal year 2021 (April 1, 2021 to March 31, 2022)	Fiscal year 2022 (April 1, 2022 to March 31, 2023)
Ordinary income	5,863,770	6,648,600
Underwriting income	4,988,607	5,634,811
Net premiums written	3,887,821	4,469,989
Deposit premiums from policyholders	63,091	50,480
Investment income on deposit premiums	34,238	32,893
Life insurance premiums	996,288	1,071,645
Other underwriting income	7,167	9,802
Investment income	738,186	875,494
Interest and dividends	560,082	690,474
Gains on money trusts	44	293
Gains on trading securities	22,553	-
Gains on sales of securities	131,947	184,521
Gains on redemption of securities	3,962	2,932
Investment gains on separate accounts	13,533	-
Other investment income	40,301	30,164
Transfer of investment income on deposit premiums	(34,238)	(32,893)
Other ordinary income	136,976	138,295
Amortization of negative goodwill	10,229	1,807
Other ordinary income	126,747	136,487
Ordinary expenses	5,296,357	6,144,693
Underwriting expenses	4,184,455	4,666,080
Net claims paid	1,955,306	2,293,251
Loss adjustment expenses	160,775	171,018
Agency commissions and brokerage	748,881	850,155
Maturity refunds to policyholders	180,516	153,472
Dividends to policyholders	3	2
Life insurance claims	436,693	521,666
Provision for outstanding claims	219,809	297,831
Provision for underwriting reserves	477,046	373,599
Other underwriting expenses	5,421	5,081
Investment expenses	88,364	203,996
Losses on trading securities	-	4,578
Losses on sales of securities	23,326	63,483
Impairment losses on securities	13,176	15,816
Losses on redemption of securities	2,069	1,292
Losses on derivatives	38,946	92,197
Investment losses on separate accounts	-	2,369
Other investment expenses	10,845	24,259
Operating and general administrative expenses	1,002,477	1,135,646
Other ordinary expenses	21,060	138,970
Interest expenses	8,398	13,953
Increase in allowance for doubtful accounts	71	11,646
Losses on bad debts	339	394
Equity in losses of affiliates	3,034	104,887
Other ordinary expenses	9,215	8,088
Ordinary profit	567,413	503,907

(Yen in millions)

	Fiscal year 2021 (April 1, 2021 to March 31, 2022)	Fiscal year 2022 (April 1, 2022 to March 31, 2023)
Extraordinary gains	3,470	34,035
Gains on disposal of fixed assets	3,470	7,840
Reversal of reserves under special laws	-	5,936
Reversal of reserve for price fluctuation	-	5,936
Other extraordinary gains	-	20,258
Extraordinary losses	16,611	8,584
Losses on disposal of fixed assets	3,374	4,616
Impairment losses on fixed assets	764	3,740
Provision for reserves under special laws	10,324	-
Provision for reserve for price fluctuation	10,324	-
Other extraordinary losses	2,148	228
Income before income taxes and non-controlling interests	554,272	529,358
Income taxes - current	180,191	176,548
Income taxes - deferred	(36,333)	3,179
Total income taxes	143,858	179,727
Net income	410,414	349,630
Net income (loss) attributable to non-controlling interests	(10,070)	(26,817)
Net income attributable to owners of the parent	420,484	376,447

(Consolidated Statement of Comprehensive Income)

(Yen in millions)

	Fiscal year 2021 (April 1, 2021 to March 31, 2022)	Fiscal year 2022 (April 1, 2022 to March 31, 2023)
Net income	410,414	349,630
Other comprehensive income		
Unrealized gains (losses) on available-for-sale securities	(79,398)	(890,153)
Deferred gains (losses) on hedge transactions	(4,339)	(7,203)
Foreign currency translation adjustments	258,238	437,698
Remeasurements of defined benefit plans	(1,295)	562
Share of other comprehensive income of affiliates accounted for by the equity method	7,161	(6,947)
Total other comprehensive income	180,366	(466,042)
Total comprehensive income	590,780	(116,412)
Comprehensive income attributable to:		
Owners of the parent	601,393	(85,843)
Non-controlling interests	(10,613)	(30,569)

(3) Consolidated Statement of Changes in Shareholders' Equity

Fiscal year 2021 (April 1, 2021 to March 31, 2022)

(Yen in millions)

	Shareholders' equity			
	Share capital	Retained earnings	Treasury stock	Total shareholders' equity
Beginning balance	150,000	1,788,764	(23,211)	1,915,553
Changes during the year				
Dividends		(151,661)		(151,661)
Net income attributable to owners of the parent		420,484		420,484
Purchases of treasury stock			(93,736)	(93,736)
Disposal of treasury stock		(97)	869	772
Cancellation of treasury stock		(102,898)	102,898	-
Changes in the scope of consolidation		1,540		1,540
Changes in equity resulted from increase in capital of consolidated subsidiaries		(0)		(0)
Others		(1,686)		(1,686)
Net changes in items other than shareholders' equity				
Total changes during the year	-	165,680	10,031	175,712
Ending balance	150,000	1,954,445	(13,179)	2,091,265

	Accumulated other comprehensive income				Stock acquisition rights	Non-controlling interests	Total net assets
	Unrealized gains (losses) on available-for-sale securities	Deferred gains (losses) on hedge transactions	Foreign currency translation adjustments	Remeasurements of defined benefit plans			
Beginning balance	1,908,438	2,787	(149,098)	(13,661)	2,379	56,380	3,722,780
Changes during the year							
Dividends							(151,661)
Net income attributable to owners of the parent							420,484
Purchases of treasury stock							(93,736)
Disposal of treasury stock							772
Cancellation of treasury stock							-
Changes in the scope of consolidation							1,540
Changes in equity resulted from increase in capital of consolidated subsidiaries							(0)
Others							(1,686)
Net changes in items other than shareholders' equity	(72,833)	(4,339)	259,433	(1,350)	(2,345)	(4,431)	174,132
Total changes during the year	(72,833)	(4,339)	259,433	(1,350)	(2,345)	(4,431)	349,845
Ending balance	1,835,605	(1,551)	110,335	(15,011)	33	51,949	4,072,625

Fiscal year 2022 (April 1, 2022 to March 31, 2023)

(Yen in millions)

	Shareholders' equity			
	Share capital	Retained earnings	Treasury stock	Total shareholders' equity
Beginning balance	150,000	1,954,445	(13,179)	2,091,265
Changes during the year				
Dividends		(192,151)		(192,151)
Net income attributable to owners of the parent		376,447		376,447
Purchases of treasury stock			(111,691)	(111,691)
Disposal of treasury stock		0	688	688
Cancellation of treasury stock		(96,126)	96,126	-
Changes in the scope of consolidation				-
Changes in equity resulted from increase in capital of consolidated subsidiaries		(49)		(49)
Others		(509)		(509)
Net changes in items other than shareholders' equity				
Total changes during the year	-	87,609	(14,876)	72,732
Ending balance	150,000	2,042,054	(28,056)	2,163,998

	Accumulated other comprehensive income				Stock acquisition rights	Non-controlling interests	Total net assets
	Unrealized gains (losses) on available-for-sale securities	Deferred gains (losses) on hedge transactions	Foreign currency translation adjustments	Remeasurements of defined benefit plans			
Beginning balance	1,835,605	(1,551)	110,335	(15,011)	33	51,949	4,072,625
Changes during the year							
Dividends							(192,151)
Net income attributable to owners of the parent							376,447
Purchases of treasury stock							(111,691)
Disposal of treasury stock							688
Cancellation of treasury stock							-
Changes in the scope of consolidation							-
Changes in equity resulted from increase in capital of consolidated subsidiaries							(49)
Others							(509)
Net changes in items other than shareholders' equity	(880,954)	(7,203)	425,326	540	-	(25,217)	(487,508)
Total changes during the year	(880,954)	(7,203)	425,326	540	-	(25,217)	(414,775)
Ending balance	954,650	(8,755)	535,662	(14,471)	33	26,731	3,657,849

(4) Consolidated Statement of Cash Flows

(Yen in millions)

	Fiscal year 2021 (April 1, 2021 to March 31, 2022)	Fiscal year 2022 (April 1, 2022 to March 31, 2023)
Cash flows from operating activities		
Income before income taxes and non-controlling interests	554,272	529,358
Depreciation	89,754	112,514
Impairment losses on fixed assets	764	3,740
Amortization of goodwill	72,152	80,692
Amortization of negative goodwill	(10,229)	(1,807)
Increase (decrease) in outstanding claims	241,282	334,838
Increase (decrease) in underwriting reserves	529,601	491,149
Increase (decrease) in allowance for doubtful accounts	(600)	11,020
Increase (decrease) in net defined benefit liabilities	2,078	(4,914)
Increase (decrease) in provision for employees' bonus	5,336	3,106
Increase (decrease) in provision for share awards	3,410	465
Increase (decrease) in reserve for price fluctuation	10,324	(5,936)
Interest and dividends	(560,082)	(690,474)
Losses (gains) on securities	(118,255)	(120,237)
Interest expenses	8,398	13,953
Foreign exchange losses (gains)	(26,178)	(20,254)
Losses (gains) on tangible fixed assets	(601)	(3,224)
Equity in losses (earnings) of affiliates	3,034	104,887
Investment losses (gains) on separate accounts	(13,533)	2,369
Decrease (increase) in other assets (other than investing and financing activities)	(68,773)	(165,628)
Increase (decrease) in other liabilities (other than investing and financing activities)	52,765	(119,937)
Others	427	18,841
Subtotal	775,350	574,521
Interest and dividends received	552,023	665,382
Interest paid	(8,788)	(12,829)
Income taxes paid	(223,279)	(225,446)
Others	6,934	5,954
Net cash provided by (used in) operating activities (a)	1,102,240	1,007,582

(Yen in millions)

	Fiscal year 2021 (April 1, 2021 to March 31, 2022)	Fiscal year 2022 (April 1, 2022 to March 31, 2023)
Cash flows from investing activities		
Net decrease (increase) in deposits	228	18,569
Purchases of monetary receivables bought	(625,850)	(516,140)
Proceeds from sales and redemption of monetary receivables bought	474,800	296,315
Increase in money trusts	-	(8,000)
Decrease in money trusts	2,421	-
Purchases of securities	(2,255,729)	(2,015,966)
Proceeds from sales and redemption of securities	2,046,983	2,647,425
Payments for issuance of loans	(864,335)	(1,000,890)
Proceeds from collection of loans	650,557	697,998
Others	(70,711)	(95,355)
Subtotal (b)	(641,634)	23,956
(a) + (b)	460,606	1,031,538
Purchases of tangible fixed assets	(29,050)	(24,877)
Proceeds from sales of tangible fixed assets	5,240	18,798
Purchases of shares of subsidiaries resulting in change in the scope of consolidation	-	(26,111)
Sales of shares of subsidiaries resulting in change in the scope of consolidation	-	26,428
Net cash provided by (used in) investing activities	(665,444)	18,193
Cash flows from financing activities		
Proceeds from borrowings	34,506	15,565
Repayments of borrowings	(42,350)	(13,347)
Proceeds from issuance of short-term corporate bonds	9,999	9,999
Redemption of short-term corporate bonds	(10,000)	(10,000)
Redemption of corporate bonds	(12,705)	(48)
Change in cash collateral under securities lending transactions	(351,789)	(695,937)
Purchases of treasury stock	(93,736)	(111,691)
Dividends paid	(151,571)	(192,008)
Dividends paid to non-controlling shareholders	(681)	(707)
Proceeds from share issuance to non-controlling shareholders	6,794	11,091
Purchases of shares of subsidiaries not resulting in change in the scope of consolidation	-	(5,060)
Others	106,903	(17,081)
Net cash provided by (used in) financing activities	(504,629)	(1,009,226)
Effect of exchange rate changes on cash and cash equivalents	59,659	56,615
Net increase (decrease) in cash and cash equivalents	(8,174)	73,165
Cash and cash equivalents at beginning of year	924,687	912,216
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(4,295)	-
Cash and cash equivalents at end of year	912,216	985,382

(5) Notes regarding going concern assumption

Not applicable.

(6) Changes in accounting policies

The Company has applied "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No.31, June 17, 2021) from the beginning of the fiscal year 2022.

In accordance with the transitional treatment set forth in Paragraph 27-2 of this implementation guidance, the Company has prospectively applied a new accounting policy prescribed by this implementation guidance.

The effect of applying this implementation guidance on consolidated financial statements is immaterial.

(7) Notes to Consolidated Financial Statements**(Segment information)**

Fiscal year 2021 (April 1, 2021 to March 31, 2022)

	Reportable segments					Adjustments (Note 1)	(Yen in millions) Amounts shown on the consolidated financial statements (Note 2)
	Domestic non-life insurance	Domestic life insurance	International insurance	Financial and other	Total		
Ordinary income							
Ordinary income from external customers	2,839,955	713,641	2,262,031	72,883	5,888,512	(24,741)	5,863,770
Ordinary income from transactions with other reportable segments	10,087	798	2,728	29,477	43,091	(43,091)	-
Total	2,850,042	714,440	2,264,759	102,360	5,931,603	(67,832)	5,863,770
Segment profit	302,684	69,579	185,526	9,623	567,413	-	567,413
Segment assets	7,620,856	9,423,469	10,298,239	72,026	27,414,592	(168,739)	27,245,852
Other items							
Depreciation	28,696	1,481	58,697	879	89,754	-	89,754
Amortization of goodwill	96	-	71,857	198	72,152	-	72,152
Amortization of negative goodwill	8,917	248	917	145	10,229	-	10,229
Interest and dividends	145,168	116,398	301,515	26	563,109	(3,027)	560,082
Interest expenses	2,052	1,992	6,204	-	10,249	(1,850)	8,398
Equity in earnings (losses) of affiliates	-	-	(3,034)	-	(3,034)	-	(3,034)
Investments in affiliates accounted for by the equity method	-	-	124,690	-	124,690	-	124,690
Increase in tangible and intangible fixed assets	66,725	8,932	27,584	734	103,976	-	103,976

(Note) 1. "Adjustments" are as follows:

- (1) "Adjustments" for Ordinary income from external customers of (24,741) million yen includes the transfer of Reversal of underwriting reserves of 21,268 million yen. This is included in Ordinary income of Domestic non-life insurance segment, while it is included in Provision for underwriting reserves in the consolidated statement of income.
 - (2) "Adjustments" for Segment assets of (168,739) million yen is mainly to eliminate intersegment transactions.
 - (3) "Adjustments" for Other items is to eliminate intersegment transactions.
2. Segment profit corresponds to Ordinary profit in the consolidated statement of income.

Fiscal year 2022 (April 1, 2022 to March 31, 2023)

	Reportable segments					(Yen in millions)	
	Domestic non-life insurance	Domestic life insurance	International insurance	Financial and other	Total	Adjustments (Note 1)	Amounts shown on the consolidated financial statements (Note 2)
Ordinary income							
Ordinary income from external customers	3,027,923	699,523	2,961,310	73,711	6,762,469	(113,868)	6,648,600
Ordinary income from transactions with other reportable segments	12,681	124	3,411	27,073	43,291	(43,291)	-
Total	3,040,604	699,648	2,964,722	100,785	6,805,760	(157,160)	6,648,600
Segment profit	284,594	51,749	159,545	8,017	503,907	-	503,907
Segment assets	7,494,722	8,743,102	11,654,160	73,290	27,965,275	(265,459)	27,699,816
Other items							
Depreciation	35,773	2,870	73,192	678	112,514	-	112,514
Amortization of goodwill	93	-	80,599	-	80,692	-	80,692
Amortization of negative goodwill	744	-	917	145	1,807	-	1,807
Interest and dividends	166,045	119,517	410,927	27	696,517	(6,042)	690,474
Interest expenses	2,139	1,695	15,629	-	19,464	(5,510)	13,953
Equity in earnings (losses) of affiliates	-	-	(104,887)	-	(104,887)	-	(104,887)
Investments in affiliates accounted for by the equity method	-	-	110,518	-	110,518	-	110,518
Increase in tangible and intangible fixed assets	91,763	6,967	47,038	938	146,708	-	146,708

(Note) 1. "Adjustments" are as follows:

- (1) "Adjustments" for Ordinary income from external customers of (113,868) million yen includes the transfer of Reversal of underwriting reserves of 105,728 million yen. This is included in Ordinary income of Domestic non-life insurance segment, while it is included in Provision for underwriting reserves in the consolidated statement of income.
- (2) "Adjustments" for Segment assets of (265,459) million yen is mainly to eliminate intersegment transactions.
- (3) "Adjustments" for Other items is to eliminate intersegment transactions.

2. Segment profit corresponds to Ordinary profit in the consolidated statement of income.

(Per share information)

	(Yen)	
	Fiscal year 2021 (April 1, 2021 to March 31, 2022)	Fiscal year 2022 (April 1, 2022 to March 31, 2023)
Net assets per share	1,977.35	1,823.65
Net income per share - Basic	204.48	187.33
Net income per share - Diluted	204.42	187.33

(Note) 1. Calculations of "Net income per share - Basic" and "Net income per share - Diluted" are based on the following figures.

	Fiscal year 2021 (April 1, 2021 to March 31, 2022)	Fiscal year 2022 (April 1, 2022 to March 31, 2023)
Net income per share - Basic		
Net income attributable to owners of the parent (Yen in millions)	420,484	376,447
Amount not attributable to common shareholders (Yen in millions)	-	-
Net income attributable to owners of the parent related to common stock (Yen in millions)	420,484	376,447
Average number of shares outstanding (In thousand shares)	2,056,279	2,009,454
Net income per share - Diluted		
Adjustment of net income attributable to owners of the parent (Yen in millions)	-	-
Increased number of common stock (In thousand shares)	592	27
Increased number of stock acquisition rights (In thousand shares)	592	27

2. In the calculation of "Net income per share - Basic" and "Net income per share - Diluted", the Company shares outstanding in Board Incentive Plan Trust which are recognized as Treasury stock in Shareholders' equity are included in treasury stock deducted from Average number of shares outstanding (fiscal year 2021: 1,506 thousand shares, fiscal year 2022: 2,212 thousand shares). In addition, in the calculation of "Net assets per share", such shares are included in treasury stock deducted from the number of total shares outstanding (fiscal year 2021: 2,458 thousand shares, fiscal year 2022: 2,117 thousand shares).

3. The Company implemented a stock split by a ratio of three shares per share with an effective date of October 1, 2022. "Net assets per share", "Net income per share - Basic" and "Net income per share - Diluted" are calculated based on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

(Subsequent events)

On May 19, 2023 the Company's board of directors resolved repurchases of its own shares, pursuant to Article 156 of the Companies Act which is applicable in accordance with Article 165, Paragraph 3 of the Companies Act, as detailed below.

1. Reason for the repurchase of shares
The Company intends to repurchase its own shares in order to implement flexible financial policies.
2. Class of shares to be repurchased
Common stock of the Company
3. Aggregate number of shares to be repurchased
Up to 30,000,000 shares
4. Aggregate purchase price of shares
Up to 50 billion yen
5. Period in which repurchases may be made
From May 22, 2023 through September 22, 2023

4. Others

(1) Summary of Consolidated Business Results

(Yen in millions)

	Fiscal year 2021 (April 1, 2021 to March 31, 2022)	Fiscal year 2022 (April 1, 2022 to March 31, 2023)	Increase (Decrease)	Rate of change
Ordinary income and expenses				%
Underwriting income	4,988,607	5,634,811	646,204	13.0
Net premiums written	3,887,821	4,469,989	582,167	15.0
Deposit premiums from policyholders	63,091	50,480	(12,611)	(20.0)
Life insurance premiums	996,288	1,071,645	75,357	7.6
Underwriting expenses	4,184,455	4,666,080	481,624	11.5
Net claims paid	1,955,306	2,293,251	337,944	17.3
Loss adjustment expenses	160,775	171,018	10,243	6.4
Agency commissions and brokerage	748,881	850,155	101,274	13.5
Maturity refunds to policyholders	180,516	153,472	(27,044)	(15.0)
Life insurance claims	436,693	521,666	84,972	19.5
Provision for outstanding claims	219,809	297,831	78,022	35.5
Provision for underwriting reserves	477,046	373,599	(103,446)	(21.7)
Investment income	738,186	875,494	137,307	18.6
Interest and dividends	560,082	690,474	130,392	23.3
Gains on trading securities	22,553	-	(22,553)	(100.0)
Gains on sales of securities	131,947	184,521	52,574	39.8
Gains on redemption of securities	3,962	2,932	(1,030)	(26.0)
Investment gains on separate accounts	13,533	-	(13,533)	(100.0)
Investment expenses	88,364	203,996	115,632	130.9
Losses on trading securities	-	4,578	4,578	-
Losses on sales of securities	23,326	63,483	40,156	172.1
Impairment losses on securities	13,176	15,816	2,640	20.0
Losses on redemption of securities	2,069	1,292	(776)	(37.5)
Losses on derivatives	38,946	92,197	53,250	136.7
Investment losses on separate accounts	-	2,369	2,369	-
Operating and general administrative expenses	1,002,477	1,135,646	133,168	13.3
Other ordinary income and expenses	115,916	(675)	(116,591)	(100.6)
Equity in earnings (losses) of affiliates	(3,034)	(104,887)	(101,852)	-
Ordinary profit	567,413	503,907	(63,506)	(11.2)
Extraordinary gains and losses				
Extraordinary gains	3,470	34,035	30,565	880.6
Extraordinary losses	16,611	8,584	(8,026)	(48.3)
Extraordinary gains (losses)	(13,140)	25,450	38,591	-
Income before income taxes and non-controlling interests	554,272	529,358	(24,914)	(4.5)
Income taxes - current	180,191	176,548	(3,643)	(2.0)
Income taxes - deferred	(36,333)	3,179	39,512	-
Total income taxes	143,858	179,727	35,869	24.9
Net income	410,414	349,630	(60,783)	(14.8)
Net income (loss) attributable to non-controlling interests	(10,070)	(26,817)	(16,747)	-
Net income attributable to owners of the parent	420,484	376,447	(44,036)	(10.5)

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

Direct premiums written including deposit premiums from policyholders

(Yen in millions)

	Fiscal year 2021 (April 1, 2021 to March 31, 2022)			Fiscal year 2022 (April 1, 2022 to March 31, 2023)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	926,362	20.4	12.2	1,097,688	21.4	18.5
Hull and cargo	176,248	3.9	28.5	218,315	4.3	23.9
Personal accident	276,149	6.1	2.8	288,737	5.6	4.6
Voluntary automobile	1,536,050	33.8	3.6	1,665,800	32.5	8.4
Compulsory automobile liability	220,727	4.9	(7.4)	223,400	4.4	1.2
Others	1,407,059	31.0	15.4	1,637,835	31.9	16.4
Total	4,542,598	100.0	8.9	5,131,778	100.0	13.0
Deposit premiums from policyholders	63,091	1.4	(3.1)	50,480	1.0	(20.0)

(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)

	Fiscal year 2021 (April 1, 2021 to March 31, 2022)			Fiscal year 2022 (April 1, 2022 to March 31, 2023)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	651,754	16.8	8.4	817,805	18.3	25.5
Hull and cargo	141,964	3.7	28.9	174,291	3.9	22.8
Personal accident	205,548	5.3	4.3	227,923	5.1	10.9
Voluntary automobile	1,514,695	39.0	3.2	1,666,353	37.3	10.0
Compulsory automobile liability	232,657	6.0	(8.1)	225,269	5.0	(3.2)
Others	1,141,201	29.4	16.7	1,358,345	30.4	19.0
Total	3,887,821	100.0	7.8	4,469,989	100.0	15.0

Net claims paid

(Yen in millions)

	Fiscal year 2021 (April 1, 2021 to March 31, 2022)			Fiscal year 2022 (April 1, 2022 to March 31, 2023)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	373,153	19.1	9.0	427,226	18.6	14.5
Hull and cargo	66,158	3.4	15.2	73,482	3.2	11.1
Personal accident	96,257	4.9	3.1	116,804	5.1	21.3
Voluntary automobile	750,399	38.4	3.0	888,330	38.7	18.4
Compulsory automobile liability	171,063	8.7	(8.5)	157,832	6.9	(7.7)
Others	498,275	25.5	9.5	629,573	27.5	26.4
Total	1,955,306	100.0	4.9	2,293,251	100.0	17.3

(3) Securities**1. Trading securities**

(Yen in millions)

	As of March 31, 2022	As of March 31, 2023
Unrealized gains (losses) included in income	81,405	62,841

2. Bonds held to maturity

(Yen in millions)

		As of March 31, 2022			As of March 31, 2023		
		Carrying amount shown on balance sheet	Fair value	Unrealized gains (losses)	Carrying amount shown on balance sheet	Fair value	Unrealized gains (losses)
Those with fair value exceeding the carrying amount	Domestic debt securities	3,045,970	3,629,930	583,959	2,984,059	3,397,534	413,474
	Foreign securities	47,956	50,663	2,706	37,038	38,110	1,071
	Subtotal	3,093,927	3,680,593	586,666	3,021,098	3,435,644	414,546
Those with fair value not exceeding the carrying amount	Domestic debt securities	2,007,913	1,837,454	(170,459)	2,059,095	1,747,368	(311,727)
	Foreign securities	11,040	10,929	(111)	36,093	35,122	(970)
	Subtotal	2,018,954	1,848,383	(170,570)	2,095,188	1,782,490	(312,697)
Total		5,112,881	5,528,977	416,095	5,116,287	5,218,135	101,848

3. Bonds earmarked for underwriting reserves

(Yen in millions)

		As of March 31, 2022			As of March 31, 2023		
		Carrying amount shown on balance sheet	Fair value	Unrealized gains (losses)	Carrying amount shown on balance sheet	Fair value	Unrealized gains (losses)
Those with fair value exceeding the carrying amount	Domestic debt securities	5,500	5,545	45	11,200	11,371	171
	Subtotal	5,500	5,545	45	11,200	11,371	171
Those with fair value not exceeding the carrying amount	Domestic debt securities	2,215,003	1,976,934	(238,068)	2,093,456	1,699,291	(394,164)
	Subtotal	2,215,003	1,976,934	(238,068)	2,093,456	1,699,291	(394,164)
Total		2,220,503	1,982,480	(238,023)	2,104,656	1,710,663	(393,993)

4. Available-for-sale securities

(Yen in millions)

		As of March 31, 2022			As of March 31, 2023		
		Fair value shown on balance sheet	Cost	Unrealized gains (losses)	Fair value shown on balance sheet	Cost	Unrealized gains (losses)
Those with fair value exceeding the cost	Domestic debt securities	2,444,299	2,185,962	258,336	1,485,564	1,366,670	118,894
	Domestic equity securities	2,477,828	466,979	2,010,849	2,361,225	448,616	1,912,609
	Foreign securities	4,098,931	3,703,787	395,144	1,833,099	1,671,956	161,142
	Others (Note 2)	674,595	613,800	60,794	256,109	223,744	32,365
	Subtotal	9,695,654	6,970,529	2,725,125	5,935,999	3,710,987	2,225,012
Those with fair value not exceeding the cost	Domestic debt securities	707,264	715,626	(8,361)	837,900	874,268	(36,367)
	Domestic equity securities	24,462	27,949	(3,486)	16,700	18,195	(1,494)
	Foreign securities	1,223,458	1,270,490	(47,031)	3,679,402	4,169,737	(490,335)
	Others (Note 3)	969,597	983,593	(13,996)	1,610,743	1,784,710	(173,966)
	Subtotal	2,924,783	2,997,659	(72,876)	6,144,747	6,846,911	(702,164)
Total		12,620,437	9,968,188	2,652,249	12,080,746	10,557,898	1,522,847

(Note) 1. 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, 2022: fair value 59 million yen, cost 58 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, 2022: fair value 663,602 million yen, cost 606,606 million yen, unrealized gains 56,996 million yen
As of March 31, 2023: fair value 248,258 million yen, cost 217,562 million yen, unrealized gains 30,695 million yen

3. "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, 2022: fair value 5,575 million yen, cost 5,575 million yen, unrealized losses (0) million yen
As of March 31, 2023: fair value 2,870 million yen, cost 2,875 million yen, unrealized losses (4) million yen
- Foreign mortgage securities, etc. which are presented as Monetary receivables bought on the consolidated balance sheet
As of March 31, 2022: fair value 958,904 million yen, cost 972,501 million yen, unrealized losses (13,596) million yen
As of March 31, 2023: fair value 1,599,477 million yen, cost 1,772,894 million yen, unrealized losses (173,416) million yen

5. Bonds held to maturity that were sold

None.

6. Bonds earmarked for underwriting reserves that were sold

(Yen in millions)

	Fiscal year 2021 (April 1, 2021 to March 31, 2022)			Fiscal year 2022 (April 1, 2022 to March 31, 2023)		
	Sale proceeds	Gains on sale	Losses on sale	Sale proceeds	Gains on sale	Losses on sale
Domestic debt securities	180,066	2,799	6,895	178,030	-	26,961
Total	180,066	2,799	6,895	178,030	-	26,961

7. Available-for-sale securities that were sold

(Yen in millions)

	Fiscal year 2021 (April 1, 2021 to March 31, 2022)			Fiscal year 2022 (April 1, 2022 to March 31, 2023)		
	Sale proceeds	Gains on sale	Losses on sale	Sale proceeds	Gains on sale	Losses on sale
Domestic debt securities	473,825	6,787	3,644	863,570	64,219	7,271
Domestic equity securities	118,949	93,977	397	131,782	103,646	540
Foreign securities	495,579	28,215	12,389	645,110	16,655	28,709
Others	290,211	5,035	3,909	159,124	641	3,717
Total	1,378,566	134,015	20,341	1,799,587	185,163	40,239

(Note) "Others" includes items as follows:

- Negotiable certificates of deposit which are presented as Cash and bank deposits on the consolidated balance sheet
Fiscal year 2021: proceeds 23 million yen
Fiscal year 2022: proceeds 3,599 million yen
- Foreign mortgage securities, etc. which are presented as Monetary receivables bought on the consolidated balance sheet
Fiscal year 2021: proceeds 289,574 million yen, gains 4,868 million yen, losses 3,909 million yen
Fiscal year 2022: proceeds 155,524 million yen, gains 641 million yen, losses 3,717 million yen

8. Securities on which impairment losses were recognized

Impairment losses were recognized as follows:

- Available-for-sale securities with fair value

Fiscal year 2021: 14,892 million yen (Domestic equity securities 2,059 million yen, Foreign securities 9,764 million yen, Others 3,068 million yen)

Fiscal year 2022: 22,989 million yen (Domestic equity securities 1,367 million yen, Foreign securities 13,926 million yen, Others 7,695 million yen)

- Available-for-sale securities without a market price, and investments in partnerships

Fiscal year 2021: 620 million yen (Domestic equity securities 354 million yen, Foreign securities 266 million yen)

Fiscal year 2022: 500 million yen (Domestic equity securities 26 million yen, Foreign securities 474 million yen)

Impairment loss on a security with fair value is, in principle, recognized when the fair value is below its cost by 30% or more.