In order to provide value to all our stakeholders, we will enhance the comprehensive capability of the Group through growth of our four businesses leveraging the unique strength of each business.
Tokio Marine Group consists of Tokio Marine Holdings and 245 subsidiaries and 32 affiliates worldwide, operating extensively in the non-life insurance business, life insurance business, and financial and general businesses.

Tokio Marine & Nichido Life, which commenced operations in 1996 to promote a “customer-oriented” and “innovative and efficient” life insurance business, provides products and services that accurately meet customer needs through the integrated life and non-life business model.

With Tokio Marine & Nichido as the core company, which was established in 1879 as Japan’s first non-life insurance company, we provide products and services that meet our customers’ needs from our extensive product lineup and diverse services.

The international insurance business promotes balanced growth in both developed and emerging markets to enhance risk diversification and capital efficiency, aiming for sustainable growth and profit expansion as the Group’s growth driver.

Leveraging the know-how we have accumulated in the Group and maximizing the comprehensive capabilities of the Group, we conduct operations to deliver a new level of “safety and security” to customers that goes beyond conventional insurance products.
### Financial Business
- **Tokio Marine Asset Management Co., Ltd.**: Financial advisory and investment trust services
- **Tokio Marine Capital Co., Ltd.**: Private equity investment services
- **Tokio Marine Mezzanine Co., Inc.**: Mezzanine fund services and others

### General Business
- **Tokio Marine & Nichido Risk Consulting Co., Ltd.**: Risk consulting services
- **Tokio Marine & Nichido Career Service Co., Ltd.**: Comprehensive personnel services
- **Tokio Marine & Nichido Facilities, Inc.**: Facility management services
- **Tokio Marine & Nichido Medical Service Co., Ltd.**: Healthcare services

### Value Creation in Local Communities
- Disaster prevention and environmental awareness activities: “Disaster Prevention Lessons” and “Green Lessons” at schools and the “Children’s Environmental Award”
- Support for the recovery of disaster-affected areas (volunteer tours, etc.)
- Industry-academia collaborative research
- Initiatives for reducing our environmental footprint and achieving carbon neutral status
- Reduction of our environmental footprint through the introduction of a discount for paperless, Internet-based insurance policies
- Mangrove planting and domestic environmental protection activities through the “Green Gift” Project

### Business Unit Profits

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>160</td>
<td>160</td>
<td>160</td>
<td>160</td>
<td>160</td>
<td>160</td>
<td>160</td>
</tr>
<tr>
<td>Life</td>
<td>120</td>
<td>120</td>
<td>120</td>
<td>120</td>
<td>120</td>
<td>120</td>
<td>120</td>
</tr>
<tr>
<td>Net</td>
<td>80</td>
<td>80</td>
<td>80</td>
<td>80</td>
<td>80</td>
<td>80</td>
<td>80</td>
</tr>
<tr>
<td>Cost</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Profit</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
</tr>
</tbody>
</table>

1. Adjusted earnings (traditional embedded value basis) for figures to fiscal 2014 and business unit profits (market consistent embedded value basis) for fiscal 2015.
2. Total of Tokio Marine & Nichido Life and former Tokio Marine & Nichido Financial Life

### Net Premiums Written

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premiums Written</td>
<td>1,926.4</td>
<td>2,019.5</td>
<td>2,117.9</td>
<td>2,190.4</td>
<td>2,288.0</td>
<td>2,303.2</td>
<td></td>
</tr>
<tr>
<td>(Billions of yen)</td>
<td>2,000</td>
<td>1,500</td>
<td>1,000</td>
<td>500</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

1. Scheduled to merge with Tokio Marine Property Investment on October 1, 2016

### Value Creation in Local Communities
- Activities to protect customers from cancer
- **The Pink Ribbon Movement** on-the-street campaigns to raise awareness of breast cancer detection
- Support for cancer patients undergoing chemotherapy by donating hand-made terry cloth caps
- Promoting Dementia Supporters Training Programs for employees
- Scholarships for university and other students
- Education support for children before entering elementary school
- PHLY 80K Trees: partnership with the Arbor Day Foundation to plant 80,000 trees to reduce the risk and damage caused by disasters
- Cultural education activities and a job training program for children in Philadelphia
- Support for interns from the City of London Business Traineeship Programme
- Holding sports events for local communities
- Education support for children in China
- Promoting Blood Donation Drive in India

### Value Creation in Local Communities
- Initiatives for sustainable investment
- Promoting the employment of the challenged
- Promoting usage of recycled parts for automobile repair
- Local philanthropic activities to be a society-friendly company
- Cleaning activities in the neighboring areas of offices and facilities
Domestic Non-Life Insurance Business

Market Environment (Opportunities and Risks)

In fiscal 2016, amid the rise of global economic uncertainty, Japan’s economy is expected to recover moderately mainly led by personal consumption and capital expenditures with the enhanced monetary easing measures including a negative interest rate policy.

The domestic non-life insurance market is expected to continue expanding moderately with the rally in domestic demand. On the other hand, the business environment is expected to change substantially due to factors including a changing market structure associated with demographic shifts, climate change and more frequent natural catastrophes, and trends in international supervisory regulations. In addition, customer needs and the roles expected of insurance companies may change materially due to various technological innovations. We view these changes in the business environment as opportunities, and are working on various strategies under the mid-term business plan.

Business Overview and Strengths

We conduct our non-life insurance business throughout Japan with Tokio Marine & Nichido as the core company, which was established in 1879 as Japan’s first non-life insurance company, together with Nisshin Fire, E. design Insurance, Tokio Marine Millea SAST Insurance, Tokio Marine West SAST Insurance and other companies.

Tokio Marine & Nichido handles an extensive product lineup that meets various customer needs and is gaining trust from customers for its own unique strengths, such as Super Insurance, which provides integrated life and non-life coverage tailored to each customer’s needs.

We provide products and services that best meet our customers’ needs using the unique expertise and strengths of each group company: Nisshin Fire focuses on the retail market; E. design Insurance on the direct sales market; and Tokio Marine Millea SAST Insurance and Tokio Marine West SAST Insurance on the rental housing and tenant market.

Group Company Positioning and Overview

| Agent Sales | Tokio Marine & Nichido | Conducts strategies including rolling out high-quality services utilizing TNet, etc. and consulting sales, with a lineup of diverse products that meet the needs of customers. Full-time agents, corporations, auto dealerships and non-dedicated agents are its main sales channels. |
| Direct Sales | Nisshin Fire | Focuses on the personal and small-sized corporate market to conduct unique product and channel strategies through small and medium-sized full-time agents and non-dedicated agents as the main sales channels |
| | Tokio Marine Millea SAST Insurance/ Tokio Marine West SAST Insurance | As a small-amount and short-term insurer specializing in real estate leasing, provide insurance products for rental housing and tenants, mainly through real estate agents |
| | E. design Insurance | Strategic non-life insurance company for customers selecting based on price with direct, non-face-to-face sales |

Financial Highlights

<table>
<thead>
<tr>
<th>Business Unit Profits</th>
<th>FY2013</th>
<th>FY2014</th>
<th>FY2015</th>
<th>FY2016 (Projections)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Non-Life Insurance Business Total</td>
<td>34.0</td>
<td>122.5</td>
<td>126.0</td>
<td>165.0</td>
</tr>
<tr>
<td>Tokio Marine &amp; Nichido</td>
<td>35.0</td>
<td>113.7</td>
<td>120.0</td>
<td>158.0</td>
</tr>
<tr>
<td>Nisshin Fire</td>
<td>2.7</td>
<td>12.2</td>
<td>8.8</td>
<td>7.0</td>
</tr>
<tr>
<td>Others</td>
<td>(3.7)</td>
<td>(3.4)</td>
<td>(2.7)</td>
<td>(1.0)</td>
</tr>
</tbody>
</table>
Progress of the Mid-Term Business Plan

Under the mid-term business plan, Tokio Marine & Nichido is working on “enhancement” (establish a solid business platform), “proactive measures” (strengthen R&D to meet future challenges) and “continuous enhancement of profit growth” (strengthen underwriting discipline and pursue business efficiency), to achieve compound annual growth rates of approximately 2% in net premiums written and approximately 3% in business unit profits.

In fiscal 2015, as a result of steady implementation of the strategies set in the plan, net premiums written increased in all lines, primarily in auto and fire, to reach 2,128.3 billion yen, an increase of 4.5% year on year. In fire, net premiums written recorded an 11.9% increase due to policy reviews by customers before the product revision, among other factors. Business unit profits were 120.0 billion yen, with an increase of 6.3 billion yen on year mainly due to an increase in investment income, despite an increase in net incurred losses relating to natural catastrophes such as typhoons.

In fiscal 2016, the growth rate of net premiums written is projected to stay at 0.3% due to the reversal effect of an increase in fiscal 2015 because of the policy reviews by customers before the fire insurance product revisions. However, the compound annual growth rate (CAGR) from fiscal 2014 is projected to be 2.4%, which shows steady top-line growth in line with the mid-term business plan. As for business unit profits, because of factors including the reversal effect of an increase in natural catastrophe losses in fiscal 2015, we project a year-on-year increase of 38.0 billion yen, which will exceed the mid-term target of approximately +3% CAGR*. Moreover, our combined ratio is projected to be stable as a result of measures implemented to improve profitability.

We will continue to increase sustainable growth potential by establishing a solid business platform with the promotion of “enhancement” of our customer base and the “innovation in work style” that will support it, as well as by working to strengthen R&D for future growth as our “proactive measures”.

* CAGR from fiscal 2014 on a normalized basis (approximately 120.0 billion yen), in which effect of FX rate is excluded and natural catastrophe losses are normalized to an average annual level

### Financial Highlights

<table>
<thead>
<tr>
<th></th>
<th>FY2014</th>
<th>FY2015</th>
<th>Year-on-Year Change</th>
<th>FY2016 (Projections)</th>
<th>Year-on-Year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net premiums written (All Lines Total)</td>
<td>2,036.7</td>
<td>2,128.3</td>
<td>91.5</td>
<td>2,135.0</td>
<td>6.6</td>
</tr>
<tr>
<td>Underwriting profit</td>
<td>59.9</td>
<td>13.8</td>
<td>(46.0)</td>
<td>122.0</td>
<td>108.1</td>
</tr>
<tr>
<td>Net investment income</td>
<td>218.8</td>
<td>371.4</td>
<td>152.5</td>
<td>208.0</td>
<td>(163.3)</td>
</tr>
<tr>
<td>Ordinary profit</td>
<td>264.0</td>
<td>377.2</td>
<td>113.1</td>
<td>309.0</td>
<td>(68.2)</td>
</tr>
<tr>
<td>Net income</td>
<td>185.3</td>
<td>301.6</td>
<td>116.2</td>
<td>245.0</td>
<td>(56.6)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>(%)</th>
<th>(%)</th>
<th>(%)</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss Ratio (Private Insurance E/I Basis)</td>
<td>58.5</td>
<td>60.1</td>
<td>+1.6</td>
<td>58.3</td>
</tr>
<tr>
<td>Expense Ratio (Private Insurance W/P Basis)</td>
<td>32.2</td>
<td>32.6</td>
<td>+0.4</td>
<td>32.7</td>
</tr>
<tr>
<td>Combined Ratio (Private Insurance E/I Basis)</td>
<td>90.6</td>
<td>92.7</td>
<td>+2.0</td>
<td>91.0</td>
</tr>
</tbody>
</table>
“Enhancement” (Establish a Solid Business Platform)

“Enhancement” is a strategy to significantly enhance the value we deliver to customers through every opportunity, from proposals that integrate life and non-life insurance to claims service for accidents and other areas, to become “the best choice” for our customers.

Further Integration of the Business Model for Life and Non-Life

Super Insurance is our unique all-in-one life and non-life insurance product that we developed and launched in 2002 with the concept of providing customers and their families with lifelong security. Positioned as the core of our integrated life and non-life business model, Super Insurance has been gaining customers support to reach 1.92 million in-force policies as of March 31, 2016, more than doubling over the past five years. Data shows that the renewal ratio for auto insurance of Super Insurance is higher than for regular auto insurance. By expanding the Comprehensive Discount for Super Insurance, we will further enhance cross-selling and the renewal ratio.

Advancing Risk Consulting Services

As an initiative for advancing our risk consulting services, we not only propose insurance but also provide consulting services, etc. that meet customer needs by leveraging the Group’s comprehensive ability. We are strengthening disaster countermeasures and providing BCP planning services based on earthquake disaster prevention plans. In addition, for Japanese companies expanding businesses overseas, we identify risks and provide solutions.

More Edge to Our Claims-Services

To give more edge to our claims-services, we are raising their quality with the aim of being our customers’ choice for claims services. We are strengthening our customer support not only when an accident occurs but at all times. For example, we advise customers on the appropriate response at the time of an accident using tablet PCs when selling insurance. In addition, to deal with wide-area disasters, which have been increasing over the past few years, we have been working to improve our response capability by enhancing support mobility and strengthening our IT system.

Innovation in Work Style

“Innovation in work style” means raising productivity through utilizing IT and business process reform to enhance our capability to respond to customers. We are working to reduce office work and allocate the newly created time to sales promotion by actively utilizing tablet PCs, the “next-generation business model,” and promoting business process reform.

Enhance customer satisfaction

Enhance support mobility

Strengthen IT system

Quick launch of nation-wide support team, enhancing support capability

Digitize accident report between agents and the company

Enhance productivity through utilization of “next-generation business model” (tablet PCs)

Time allocated to sales promotion*

approx. +11%

* Time allocated to sales promotion per company’s sales personnel as of Jun. 2015 compared to FY2014 (based on company data)
“Proactive Measures” (Strengthen R&D to Meet Future Challenges)

For “proactive measures”, we are strengthening R&D to capitalize on changes in the business environment and offering products and services that address changing business environment and customer needs.

For auto insurance, to provide customers with new added value such as preventive safety and loss reduction measures, we have started offering “Drive Agent” and automatic accident report service. As a result of technological innovations such as autonomous vehicles, it is possible that various parties such as auto manufacturers, competent authorities for traffic control and telecommunications companies will assume liability for an accident, and new roles will also be expected for insurance companies. Since legal responsibilities at the time of an accident will be complex, we are moving ahead with research and studies through participation in demonstration tests on public roads.

In addition to these technological innovations, responding to the growing number of foreign tourists visiting Japan, we started a multi-language service for new travel insurance that foreign tourists can apply for over the Internet after arriving in Japan.

Looking ahead to the 2020 Tokyo Olympic and Paralympic Games, globalization and technological innovation in Japan is expected to accelerate. We have established divisions responsible for initiatives related to the Olympic and Paralympic Games and for promotion of regional development, and will continue promoting initiatives that anticipate changes in the business environment and customer needs. We will continue to contribute to the Japanese economy and vitalization of local communities to achieve sustainable profit growth in the domestic non-life insurance business.

Providing Safety and Security through the Development of “Drive Agent”

Tokio Marine & Nichido has capitalized on the recent remarkable technological innovations of telematics, the Internet of Things (IoT) and autonomous vehicles to proactively apply these new technologies. As part of these efforts, we developed and launched Drive Agent, an advanced telematics service, in February 2016. We collaborated with an electronics company on this new technology to provide greater safety and security to customers and society, contributing to raising awareness of traffic safety and reducing accidents. Drive Agent utilizes a rearview mirror telematics unit equipped with a communication module and driving recorder for capturing and recording front-view images to provide 1) advanced accident response services, 2) consultation on safe driving, and 3) accident prevention functions such as issuing lane departure warnings. In particular, our advanced accident response service makes full use of telematics technology to issue an automatic accident report to an insurance company, which reduces customer concerns after an accident.

For many companies using cars in business, it is increasingly necessary to create a system for safe driving, operation management and accident prevention. We will continue to conduct studies and research in this field and will take on new challenges to realize our corporate philosophy of providing “safety and security”.

Providing new value such as preventive safety and loss reduction measures

- Drive Agent (for corporate clients)
  - Advanced accident response service
  - Consultation on safe driving
  - Accident prevention functions

- Automatic Accident Report Service (for individual customers)
  - Automatic accident reporting process using beacon technology

Responding to evolving risks

New Roles for Insurance Companies
- Study and research on legal responsibilities relating to accidents
- Participation in demonstration tests on public roads for autonomous vehicles and development of specialized insurance package

Creating Social Value through Business

Providing new value such as preventive safety and loss reduction measures

- Drive Agent (for corporate clients)
- Automatic Accident Report Service (for individual customers)

Increase in Inbound Tourists

| Number of Foreign Tourists Visiting Japan* (Millions of people) |
|-------------------|------------------|------------------|------------------|------------------|------------------|
| 2011              | 2012             | 2013             | 2014             | 2015             |
| 0                 | 10               | 10               | 20               | 30               |

* Source: Japan National Tourism Organization

Inbound Insurance & Services
- New travel insurance for foreign tourists after arriving in Japan, applicable through smartphones
- Multi-lingual interpretation services for business organizations

- Built-in 5-inch touch panel display
- User-friendly interface similar to that of smartphones for simple tapping
- Built-in wide-angle camera facing the windshield installed on the back
- Able to record video and detect departures from the traffic lane, etc.
Initiatives at Group Companies

Nisshin Fire

Masato Murashima
President
Nisshin Fire & Marine Insurance Co., Ltd.

Progress of the Mid-Term Business Plan

Nisshin Fire is a non-life insurance company established in 1908. Nisshin Fire provides simple, easily comprehensible insurance products to customers through 13,870 agents (as of March 31, 2016) with the aim of becoming the most familiar and trusted retail non-life insurance company.

Under the mid-term business plan, we are accelerating selection and concentration of business by focusing on the personal and small-sized corporate market while maximizing group synergies, and enhancing competitiveness (profit growth potential) through unique products and channel strategies in the retail market.

In particular, we are working on the “Nisshin Model”, a business model to provide simple, easy-to-understand products and high-quality claims services together with our agents, who are deeply rooted in their communities and trusted by their customers.

In fiscal 2015, net premiums written increased by 1.5% year on year to 138.6 billion yen. Net income was 6.1 billion yen.

For fiscal 2016, we project that net premiums written will increase by 1.6% year on year to 140.8 billion yen and net income will be 4.3 billion yen.

Financial Highlights

<table>
<thead>
<tr>
<th></th>
<th>FY2014</th>
<th>FY2015</th>
<th>Year-on-Year Change</th>
<th>FY2016 (Projections)</th>
<th>Year-on-Year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net premiums written (All Lines Total)</td>
<td>136.6</td>
<td>138.6</td>
<td>2.0</td>
<td>140.8</td>
<td>2.1</td>
</tr>
<tr>
<td>Underwriting profit</td>
<td>14.7</td>
<td>7.8</td>
<td>(6.8)</td>
<td>5.2</td>
<td>(2.6)</td>
</tr>
<tr>
<td>Net investment income</td>
<td>3.1</td>
<td>2.1</td>
<td>(0.9)</td>
<td>1.9</td>
<td>(0.2)</td>
</tr>
<tr>
<td>Ordinary profit</td>
<td>17.6</td>
<td>9.7</td>
<td>(7.9)</td>
<td>6.4</td>
<td>(3.3)</td>
</tr>
<tr>
<td>Net income</td>
<td>12.5</td>
<td>6.1</td>
<td>(6.4)</td>
<td>4.3</td>
<td>(1.8)</td>
</tr>
</tbody>
</table>

E. design Insurance

Tsukasa Inadera
President
E. design Insurance Co., Ltd.

Progress of the Mid-Term Business Plan

E. design Insurance is a direct non-life insurance company jointly established by Tokio Marine Group and the NTT Group in June 2009. E. design Insurance provides auto insurance via the Internet to customers who use the Internet to find the insurance best suited to their needs.

Under the mid-term business plan, we are working to further enhance quality in areas such as accident response services and our call center while making our website even more convenient with the aim of “being the number one direct insurer in terms of customers’ choice”.

In fiscal 2015, net premiums written increased by a substantial 24.2% year on year to 21.0 billion yen.

We will work to further increase premiums written while improving our loss ratio and administrative efficiency to achieve profitability.

Financial Highlights

<table>
<thead>
<tr>
<th></th>
<th>FY2014</th>
<th>FY2015</th>
<th>Year-on-Year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net premiums written (All Lines Total)</td>
<td>16.9</td>
<td>21.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Underwriting profit</td>
<td>(4.2)</td>
<td>(3.2)</td>
<td>0.9</td>
</tr>
<tr>
<td>Net investment income</td>
<td>0.0</td>
<td>0.0</td>
<td>(0.0)</td>
</tr>
<tr>
<td>Ordinary profit</td>
<td>(8.0)</td>
<td>(7.1)</td>
<td>0.9</td>
</tr>
<tr>
<td>Net income</td>
<td>(8.0)</td>
<td>(7.1)</td>
<td>0.9</td>
</tr>
</tbody>
</table>
Domestic Life Insurance Business

Market Environment (Opportunities and Risks)

Japan’s life insurance market is one of the largest in the world and the environment in which the life insurance business operates is expected to change significantly due to factors such as aging societies and advances in medical technology. As a result of these changes, a potential market is coming to light in the field of living protection, such as nursing care, inability to work, home care and outpatient treatment, which are not fully covered by conventional medical insurance or death insurance. We believe that we can achieve further growth by developing this market. Moreover, future revisions to the social security system are under discussion in Japan, and private-sector life insurance is likely to assume a greater role in Japan as a provider of personal coverage that complements the social security system.

Due to the introduction of a negative interest rate policy, etc., interest rates have declined precipitously in Japan, causing a decline in investment yield, etc. This low interest rate environment is expected to continue for the time being. Under such conditions, we are appropriately controlling interest risk through ALM (asset and liability management) and taking flexible measures including global investment diversification.

As for living protection, which is mainly covered by the third-sector lines, other life insurance companies are also developing new products and strengthening sales to take advantage of the growth potential in this market. We will continue working to develop attractive, highly unique products with added value with the aim of further growth while maintaining profitability.

Business Overview and Strengths

Tokio Marine Group entered the domestic life insurance business by establishing Tokio Marine & Nichido Life in 1996 to promote a “customer-oriented” and “innovative and efficient” life insurance business. This fiscal year marks the milestone of its 20th anniversary. The company has grown steadily in scale with the trust of its many customers and has consistently achieved high growth significantly exceeding the market.

Aiming to be “the leading life insurance company in Japan”, Tokio Marine & Nichido Life offers a sense of security to as many customers as possible through life insurance. The company continues to provide unique and high-value-added products and services that accurately meet customer needs through diverse sales channels including a nationwide network of agents and sales staff called Life Partners.

Growth Rate of Number of In-Force Policies at TMNL

<table>
<thead>
<tr>
<th>CAGR of in-force policies from FY2000 to FY2015¹</th>
<th>TMNL²</th>
<th>Average of Japanese life insurance market³</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>+12.7%</td>
<td>+3.0%</td>
</tr>
</tbody>
</table>

1. Total of individual insurance and individual annuities
2. After merger basis
3. Source: Insurance Statistics (Seiho Toukeigo)

Number of In-Force Policies* at TMNL (Total of Individual Insurance and Individual Annuities)

(Ten thousands of policies)

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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ten thousands of policies</td>
<td>8</td>
<td>23</td>
<td>41</td>
<td>57</td>
<td>87</td>
<td>106</td>
<td>134</td>
<td>160</td>
<td>187</td>
<td>219</td>
<td>256</td>
<td>283</td>
<td>317</td>
<td>349</td>
<td>378</td>
<td>405</td>
<td>438</td>
<td>470</td>
<td>500</td>
<td>530</td>
</tr>
</tbody>
</table>

¹ Total of TMNL and former FL
Tokio Marine & Nichido Life is aiming for growth based on financial soundness and profitability by promoting a sales shift from saving-type products to protection-type products under the mid-term business plan.

Regarding new policies, we expanded sales of protection-type products while limiting sales of long-term saving-type products such as individual annuities and "whole life with long-term discount". As a result, annualized premiums for new policies (excluding long-term saving-type products) in fiscal 2015 increased by a substantial 18.3% year on year to 100.4 billion yen. For fiscal 2016, we project 107.1 billion yen in annualized premiums for new policies, with a compound annual growth rate of 12% over the two years from fiscal 2014.

The increase in MCEV*, which we use as business unit profits, was negative 187.4 billion yen in fiscal 2015. Although the value of new business steadily increased, MCEV decreased due to changes in the economic environment such as a decline in interest rates resulting from the introduction of the negative interest rate policy. Excluding these effects, however, MCEV increased by 115.6 billion yen. For fiscal 2016, MCEV is projected to increase by 39.0 billion yen due to initiatives to increase the value of new business despite the effects of low interest rates. Through measures including continuing to promote the sales of highly original, value-added protection-type products and product revisions based on interest rate fluctuations, we will achieve steady growth while maintaining profitability.

* MCEV (Market Consistent Embedded Value): An index used to assess the value of life insurance business consistent with the market value of financial instruments. Future economic condition is based on assumptions that the market conditions at the end of March 2016 will continue.
Promotion of “Life Insurance Revolution to Protect One’s Living”

Tokio Marine & Nichido Life will extend its unique, high-value-added product lineup to continue the “Life Insurance Revolution to Protect One’s Living”*, which it has been promoting since the previous mid-term business plan. We launched three new products: Cancer Insurance R and Cancer Treatment Support Insurance NEO in July 2015 and Medical Kit NEO in November 2015.

Cancer Insurance R is a product with a similar function to Medical Kit R, in which there is a return of premiums and a reserve function that allows lifelong coverage at the same premium as at the time of enrollment. Cancer Treatment Support Insurance NEO is a product that enhances the coverage of the previous version of our cancer support insurance in line with the latest cancer treatments. Medical Kit NEO is a product that has basic benefits for hospitalization and surgery at lower premiums, while at the same time offering new, extended benefits including coverage for lifestyle-related diseases. In conjunction with Medical Kit NEO, we have also extended the coverage of the existing product Medical Kit R.

We will continue to strive to develop and provide attractive products that accurately meet customer needs.

* An initiative to cultivate a potential market for living protection, where needs are expanding due to a society with longer lifespans, by developing and introducing unique, high-value-added products.

Expand and Strengthen Our Unique Product Line-up That Meets the Diverse Customer Needs and Serve as a Source of Stable Profit

Strengthening Growth Potential

Tokio Marine & Nichido Life has diverse sales channels consisting of non-life agents, Life Professionals, Life Partners (sales staff) and bancassurance. Under the mid-term business plan, we will achieve growth in each channel by promoting multi-channel strategies with the main focus of unlocking the potential of the integrated business model for life and non-life to deliver attractive products to customers. In addition, we intend to further advance the insurance business by utilizing...
the latest devices such as smartphones and tablets, which have rapidly become widespread in recent years. These devices help strengthen our channel support capabilities, making it easier to grasp potential customer needs and make proposals for life insurance and to train sales agents.

The number of Tokio Marine & Nichido Life’s in-force policies exceeds 5.3 million. With the aim of becoming a company with the prospect of eight million, or even ten million in-force policies, we will work on various innovations in product development, sales, business process reform and other areas as “an industry challenger”.

Channel Composition
(FY2015 life insurance premiums on managerial accounting basis)

Customer Contact and Sales Capability + Easy-to-Understand Products and Easy-to-Follow Procedures

Customer contacts
- Raising topics/strengthening contact between customers and agents via SNS, etc.

E-learning
- Expansion of learning content
- Creating an environment for learning anywhere, anytime

Product presentations
- Easy-to-understand presentations using video
- All-in-one proposals for life and non-life using an enrollment status list

Contract procedures
- Improved sales quality and work efficiency with Raku Raku Tetsuzuki and “e-guideline” (compatible with the revised Insurance Business Act)

Maintenance
- More convenient policyholder exclusive website with enhanced functionality
- Follow-up for existing policyholders using e-mail

Creating Social Value through Business

Developing and Providing Living Protection Products and Promoting “Activities to Protect Customers from Cancer”

Due to factors including increased longevity, advances in medical technology and shorter hospital stays, outpatient treatment and nursing care are necessary in more cases after leaving the hospital, and more patients cannot maintain their income level due to aftereffects that prevent them from working as they used to. To protect customers from new risks not covered by conventional medical insurance or death benefits, Tokio Marine & Nichido Life develops and provides products that promote the “Life Insurance Revolution to Protect One’s Living”.

In addition to developing and providing living protection products, we conduct “Activities to Protect Customers from Cancer”. Employees and agents work together to conduct a variety of initiatives including the “Pink Ribbon Movement” to raise awareness of early detection of breast cancer and support for cancer patients undergoing chemotherapy by making and donating terry cloth caps.

On the occasion of its 20th anniversary, Tokio Marine & Nichido Life will conduct new social contribution activities including educational support for orphaned children through scholarships to students at universities and other schools and by donating educational materials for preschool children. Through these initiatives to support the generation that will bear the future, we will contribute more broadly to local communities and society.
International Insurance Business

Market Environment (Opportunities and Risks)

The global insurance market is currently impacted by the slowdown of the global economy, the decline in interest rates and the decrease in premium rates mainly in the reinsurance market. However, the market is expected to expand over the medium to long term, backed by stable growth in the United States and other developed markets as well as economic development and growth of the middle class in emerging markets, mainly in Asia. Such an external environment represents business opportunities for maintaining and expanding growth for Tokio Marine Group, which has an extensive business network in both developed and emerging markets. On the other hand, the international insurance business could be affected by risks such as the following associated with its global business development. We are strengthening our market intelligence so that we can take proactive and appropriate measures to respond in the event these risks are generated.

- A drop in demand for insurance associated with the slowdown and weakening of the global economy
- A worsening environment for premium rates associated with softening of the market
- An increase in net incurred losses from natural catastrophes exceeding assumptions in the business plan
- Declining growth or worsening profitability due to the generation of social, political or economic risks in a region where the Group conducts business, etc.

Business Overview and Strengths

Tokio Marine Holdings conducts business globally from a perspective of both continuing to expand profits and strengthening its business platform through risk diversification in the developed markets of Europe and the United States, which account for approximately 80% of the global non-life insurance market, and in emerging markets where growth is expected. Tokio Marine Group currently serves 38 countries and regions through offices in 483 cities, achieving a broad network to provide safety and security to customers.

(As of March 31, 2016)

Net Premiums Written in the International Insurance Business

(Billions of yen)

<table>
<thead>
<tr>
<th>Year</th>
<th>Life</th>
<th>Reinsurance</th>
<th>North America</th>
<th>Europe</th>
<th>South &amp; Central America</th>
<th>Asia &amp; Middle East</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>118.7</td>
<td>240.2</td>
<td>319.5</td>
<td>413.9</td>
<td>362.6</td>
<td>544.0</td>
</tr>
<tr>
<td>2005</td>
<td>119.1</td>
<td>238.2</td>
<td>309.5</td>
<td>401.2</td>
<td>351.2</td>
<td>610.5</td>
</tr>
<tr>
<td>2006</td>
<td>114.1</td>
<td>243.9</td>
<td>304.9</td>
<td>414.9</td>
<td>366.4</td>
<td>597.2</td>
</tr>
<tr>
<td>2007</td>
<td>91.0</td>
<td>362.6</td>
<td>425.6</td>
<td>404.8</td>
<td>366.7</td>
<td>614.1</td>
</tr>
<tr>
<td>2008</td>
<td>92.1</td>
<td>526.5</td>
<td>544.0</td>
<td>474.5</td>
<td>456.7</td>
<td>734.3</td>
</tr>
<tr>
<td>2009</td>
<td>91.4</td>
<td>526.5</td>
<td>544.0</td>
<td>474.5</td>
<td>456.7</td>
<td>734.3</td>
</tr>
<tr>
<td>2010</td>
<td>77.7</td>
<td>499.7</td>
<td>499.7</td>
<td>455.8</td>
<td>426.7</td>
<td>614.1</td>
</tr>
<tr>
<td>2011</td>
<td>86.5</td>
<td>499.7</td>
<td>499.7</td>
<td>455.8</td>
<td>426.7</td>
<td>614.1</td>
</tr>
<tr>
<td>2012</td>
<td>105.3</td>
<td>734.3</td>
<td>734.3</td>
<td>601.7</td>
<td>565.7</td>
<td>614.1</td>
</tr>
<tr>
<td>2013</td>
<td>120.5</td>
<td>1,074.5</td>
<td>1,074.5</td>
<td>942.6</td>
<td>901.7</td>
<td>734.3</td>
</tr>
<tr>
<td>2014</td>
<td>120.6</td>
<td>1,302.6</td>
<td>1,302.6</td>
<td>1,160.0</td>
<td>1,092.7</td>
<td>1,304.0</td>
</tr>
<tr>
<td>2015</td>
<td>112.6</td>
<td>1,302.6</td>
<td>1,302.6</td>
<td>1,160.0</td>
<td>1,092.7</td>
<td>1,304.0</td>
</tr>
<tr>
<td>2016 (Projections)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,610.0</td>
</tr>
</tbody>
</table>

Exchange rate:


Enhanced expansion into non-Japanese customer business
- Full-scale operation in U.S. and European markets
- Further expansion in emerging markets
- Further growth, business diversification, and increasing capital efficiency

1. FX rates are as of Dec. 31 of each year (FX rate for FY2016 Projections is as of Mar. 31, 2016)
2. Up to FY2015, Middle East is included in Europe. From FY2016, Middle East will be included in Asia
**Worldwide Operations**

**Business Portfolio**

- **North America 62%**
- **Philadelphia 21%**
- **Delphi 14%**
- **HCC 22%**
- **Europe 9%**
- **South & Central America 7%**
- **Asia & Middle East 8%**
- **Reinsurance 8%**
- **Others 5%**

**Composition of Net Premiums Written (2016 Projections)**

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**Philadelphia**

Philadelphia is a U.S. P&C insurance group that has achieved high growth and profitability since its establishment in 1962. Its strengths include outstanding product development capability, disciplined operation and strong marketing capability utilizing its multiple sales channels.

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**Delphi**

Delphi Financial is a P&C and life insurance group focusing on employee benefit products in the United States. With strengths including experienced underwriting, strong relationships with distribution channels and expertise in investing, Delphi consistently achieves high growth and profitability that outperforms its peers.

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**Tokio Marine North America**

Tokio Marine North America is a regional management company overseeing the United States that is responsible for designing and implementing growth strategies and formulating and promoting integrated business management policies for Tokio Marine Group’s insurance businesses there.

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**HCC**

HCC is a world-leading specialty insurance group with high-level underwriting expertise. It has a highly profitable and diversified business portfolio and maintains high profitability, growth, stability and soundness that consistently outperform its peers.

---

**Tokio Marine Seguradora**

Tokio Marine Seguradora is a top-class insurance company in Brazil in the retail and corporate fields. It is gaining customer loyalty and achieving a growth rate higher than the market by maintaining high-quality operations, and providing products and services that meet customer needs.
Tokio Marine Asia

Tokio Marine Asia is a regional management company overseeing Asia and the Pacific region (excluding Japan, China and Korea) with the responsibility of providing technical support including business and risk management to local group companies operating in 11 countries. The company also plans and proposes new businesses to contribute to life and non-life business expansion and profit growth in the region.

Tokio Marine Kiln

Tokio Marine Kiln is a regional management company that has achieved steady growth in profits. Its subsidiaries include Tokio Marine Kiln Insurance, which has strength in the corporate field, and Tokio Marine Kiln Syndicates, which offers one of the largest underwriting capacities in the Lloyd’s of London market and outstanding expertise.

Tokio Millennium Re

Tokio Millennium Re is the core driver of the Group’s reinsurance business and it is steadily expanding its business through global development. It has established a profitable reinsurance portfolio through advanced risk management with sophisticated natural catastrophe models and is making a stable profit contribution to the Group.

Global strategy meeting
Progress of the Mid-Term Business Plan

Under the mid-term business plan, we are pursuing balanced growth in both developed and emerging countries through “organic growth” and “M&A” as we aim for sustainable profit growth. In October 2015, we completed the acquisition of HCC Insurance Holdings, Inc., a prominent global specialty insurance group with high-level underwriting expertise, further increasing our profit scale and business stability. We will work on creating group synergies with HCC at the core, as well as our corporate functions and global HR strategy to strengthen our business platform for sustainable growth.

Net premiums written in fiscal 2015 were 1,304.0 billion yen, remaining flat compared with fiscal 2014 due to the depreciation of emerging market currencies, among other factors. Excluding the effect of exchange rates, net premiums written increased 6% year on year due to factors including the progress of growth measures in each business. Business unit profits decreased 13.7 billion yen year on year to 131.8 billion yen. On a normalized basis where the effect of exchange rates is excluded and natural catastrophe losses is normalized to an average level, business unit profits decreased due to factors including the effect of large losses and foreign exchange losses on a local accounting basis.

Profits from HCC will contribute to our results from fiscal 2016. The addition of HCC’s highly profitable and stable portfolio will further expand the scale of premiums written and profits in the international insurance business and build a more stable and highly profitable business portfolio that is diversified by region, business and product line.

In fiscal 2016, though affected by exchange rates, we project an increase of 23% in net premiums written compared with fiscal 2015 and an increase of 21% in business unit profits, mainly due to the contribution of HCC. For existing businesses other than HCC, both net premiums written and business unit profits are projected to grow steadily in the overall trend on a normalized basis where the effect of exchange rates and natural catastrophes are excluded.
Maintaining profit growth outperforming the market through underwriting discipline and action

- Highly competitive business model focusing on niche markets
- Maintaining C/R lower than market average through underwriting discipline

**Net Premiums Written**

(Billions of yen)

<table>
<thead>
<tr>
<th>Year</th>
<th>Normalized base</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>323.9</td>
</tr>
<tr>
<td>2015</td>
<td>319.0</td>
</tr>
<tr>
<td>2016</td>
<td>332.0 (Projections)</td>
</tr>
</tbody>
</table>

**Business Unit Profits**

(Billions of yen)

<table>
<thead>
<tr>
<th>Year</th>
<th>Normalized basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>42.3</td>
</tr>
<tr>
<td>2015</td>
<td>46.4</td>
</tr>
<tr>
<td>2016</td>
<td>40.0 (Projections)</td>
</tr>
</tbody>
</table>

Projecting steady profit growth in fiscal 2016 even under the softening market

- Maintaining high renewal ratio of in-force policies and continuing rate increases through strong franchise network

**Composition of Premiums Income (2015)**

<table>
<thead>
<tr>
<th>Segment</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Services</td>
<td>30%</td>
</tr>
<tr>
<td>Real Estate</td>
<td>18%</td>
</tr>
<tr>
<td>Public Service</td>
<td>13%</td>
</tr>
<tr>
<td>Mgmt &amp; Prof.</td>
<td>13%</td>
</tr>
<tr>
<td>Sports &amp; Rec.</td>
<td>9%</td>
</tr>
<tr>
<td>Other</td>
<td>17%</td>
</tr>
</tbody>
</table>

**Combined Ratio**

(%) of Net Premiums Written

<table>
<thead>
<tr>
<th>Year</th>
<th>Disability</th>
<th>Group Life</th>
<th>Others (Life)</th>
<th>Life</th>
<th>Excess W/C</th>
<th>Others (Non-life)</th>
<th>Non-life</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>236.6</td>
<td>221.0</td>
<td>225.0</td>
<td>232.0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>232.0</td>
<td>96%</td>
<td>96%</td>
<td>96%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Projecting profit growth in fiscal 2016 mainly due to an increase in investment income

- Utilization of profound investment expertise
- Maintaining high retention ratio and continuing rate increases in main products

**Composition of Premiums Income (2015)**

<table>
<thead>
<tr>
<th>Segment</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disability</td>
<td>33%</td>
</tr>
<tr>
<td>Group Life</td>
<td>22%</td>
</tr>
<tr>
<td>Others (Life)</td>
<td>7%</td>
</tr>
<tr>
<td>Life</td>
<td>62%</td>
</tr>
<tr>
<td>Excess W/C</td>
<td>22%</td>
</tr>
<tr>
<td>Others (Non-life)</td>
<td>16%</td>
</tr>
<tr>
<td>Non-life</td>
<td>38%</td>
</tr>
</tbody>
</table>

**Combined Ratio**

(%) of Net Premiums Written

<table>
<thead>
<tr>
<th>Year</th>
<th>Disability</th>
<th>Group Life</th>
<th>Others (Life)</th>
<th>Life</th>
<th>Excess W/C</th>
<th>Others (Non-life)</th>
<th>Non-life</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>40.2</td>
<td>26.0</td>
<td>39.0</td>
<td>42.0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>44.4</td>
<td>36.0</td>
<td>39.0</td>
<td>42.0</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Projecting profit growth in fiscal 2016 mainly due to an increase in investment income

- Highly competitive business model focusing on market for employee benefits and excess workers compensation
- Maintaining C/R lower than market average through underwriting discipline and action
North America

A world-leading specialty insurer
Aiming for further profit growth through synergy creation while maintaining high profitability

- Diverse and highly profitable portfolio
- Disciplined growth and best-in-class underwriting profitability

Net Premiums Written
(Billions of yen)

2016 (Projection)

349.0

Composition of Premiums Income (2015)

LOBs that are less dependent on the P&C market cycles (approx. 58%)

- Medical Stop-loss
- Agriculture
- US Surety
- Sports & Entertainment
- International Surety & Credit
- Other A&H
- US Credit

Total 58%

Business Unit Profits
(Billions of yen)

C/R 88%

44.0

Combined Ratio (%)

US P&C market average
HCC

Europe

Tokio Marine Kiln

Establish a position as a major player in the Lloyd’s market and in continental Europe

- Expanding profit mainly in specialty business in the Lloyd’s market
- Maintaining underwriting discipline as continuous softening of the European market is expected

Net Premiums Written (Europe)
(Billions of yen)

2014 2015 2016 (Projection)

152.4 148.4 147.0

C/R 94%

96%

Tokio Marine Kiln (Premium composition of Lloyd’s business)

Property & Liability
Marine
Reinsurance
A&H
Aviation
Others

54%
17%
9%
10%
4%
6%

Combined Ratio (%)

Lloyd’s market average
TMK (Lloyd’s business)

Europe

North America

- New business development and further profit expansion through synergy creation

Net Premiums Written
(Billions of yen)

2016 (Projection)

349.0

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Lloyd’s market average
TMK (Lloyd’s business)
Reinsurance

Tokio Millennium Re AG

Maintaining profitability in the softening market with profound expertise in each region and line, and proper response to customer needs

- Under the softening market, continue maintaining stable profit by promoting geographical and product line diversification
- Expanding source of profit through solution offering to meet customer needs

**Net Premiums Written (Reinsurance)**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016 (Projection)</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Normalized basis</em></td>
<td>149.5</td>
<td>137.0</td>
<td>175.0</td>
</tr>
<tr>
<td><em>Natcat</em></td>
<td>93%</td>
<td>93%</td>
<td>97%</td>
</tr>
</tbody>
</table>

Projected to increase in fiscal 2016 mainly due to the reversal effect of large losses in fiscal 2015

**Change in Portfolio (Earned premiums basis)**

- Natcat
- Non-natcat

**Combined Ratio**

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2011</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-natcat</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natcat</td>
<td>40%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peer average*</td>
<td>80%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TMR</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Average of 12 peer companies as below: Renaissance Re, Validus, Ace (R/I only), Axis (R/I only), Montpelier Re, Markel, AWAC, Arch, Endurance, Aspen, Everest Re, Partner Re

**South & Central America**

Continue profit growth by providing products and services that meet the needs of customers through high-quality operation

**Net Premiums Written**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016 (Projection)</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Normalized basis</em></td>
<td>132.1</td>
<td>102.7</td>
<td>105.0</td>
</tr>
<tr>
<td><em>Natcat</em></td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Business Unit Profits**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016 (Projection)</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Normalized basis</em></td>
<td>5.8</td>
<td>5.3</td>
<td>4.0</td>
</tr>
<tr>
<td><em>Natcat</em></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Continue to aim for solid profit growth in fiscal 2016, although projected to decrease mainly due to the effect of change in tax law in Brazil

Maintaining high growth outperforming the market and profitability in auto insurance as the main business
Asia & Middle East (Non-Life, Life)

Achieve growth in the retail market by expanding distribution channels and rolling-out the best-practice within the Group

<table>
<thead>
<tr>
<th>Non-Life</th>
<th>Life</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Premiums Written</strong> (Billions of yen)</td>
<td></td>
</tr>
<tr>
<td><strong>Normalized basis</strong></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>2015</td>
</tr>
<tr>
<td>Non-Life</td>
<td>118.7</td>
</tr>
<tr>
<td>Life</td>
<td>117.9</td>
</tr>
</tbody>
</table>

**Business Unit Profits** (Billions of yen)

| **Normalized basis** |
| 2014 | 2015 | 2016 (Projection) | 1FY |
| Non-Life | 12.1 | 14.0 | 14.8 | 13.0 | 10.0 |
| Life | 9.4 | 8.0 | 0.6 | 1.0 | 2.0 |

Projected to decrease in fiscal 2016 due to the reversal effect of temporary increase factors in fiscal 2015

Projected to increase in fiscal 2016 due to the reversal effect of a decrease in unrealized gains associated with the decline in stock prices in fiscal 2015, etc.

### 2013-2015 Major Asian Countries (Non-life gross premium CAGR)

<table>
<thead>
<tr>
<th>Country</th>
<th>Tokio Marine</th>
<th>Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>+5%</td>
<td>+5%</td>
</tr>
<tr>
<td>Thailand</td>
<td>+2%</td>
<td>+5%</td>
</tr>
<tr>
<td>Taiwan</td>
<td>+6%</td>
<td>+4%</td>
</tr>
<tr>
<td>India</td>
<td>+13%</td>
<td>+12%</td>
</tr>
<tr>
<td>Singapore</td>
<td>+3%</td>
<td>+3%</td>
</tr>
</tbody>
</table>

Creating Social Value through Business

Sale of Weather Insurance and Microinsurance in India

In India, about 20% of households are low-income, many of which are small farmers who use rainwater for irrigation and can suffer severe economic damage due to fluctuations in the amount of rainwater. Moreover, poverty is a serious issue for the nation, with approximately one-third of the population living on less than $1.25 a day. In 2001, Tokio Marine Group established IFFCO-TOKIO, a joint venture with Indian Farmers Fertiliser Co-operative Limited (IFFCO), which has 38 thousand member cooperatives, and started providing auto, fire and other types of insurance. To help resolve farmers’ concerns through insurance, we developed weather insurance and microinsurance (insurance that can be purchased at an affordable price). This has become an essential arrangement for farmers, with 4.24 million policies and 1.86 billion rupees

(approximately 3.66 billion yen) in premiums written in fiscal 2015. By providing weather insurance and microinsurance, Tokio Marine Group is using the know-how it has gained in the insurance business and contributing to the development of Indian agriculture and the resolution of the issue of poverty.

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Financial and General Businesses

Business Overview and Strengths

Tokio Marine Group has developed financial and general businesses aiming to deliver a new level of “safety and security” to customers that goes beyond conventional insurance products. We aim to use the know-how we have accumulated in the Group as an advantage to display the comprehensive power of the Group.

In the financial business, Tokio Marine Asset Management and other companies are developing fee-based asset management businesses with high capital efficiency to improve the Group’s business portfolio and contribute to profit growth.

In the general business, Tokio Marine & Nichido Risk Consulting, Tokio Marine Nichido Better Life Service and other companies provide products and services related to “safety and security” to support the insurance business from the cost side and the value-added side.

Progress of the Mid-Term Business Plan

Under the mid-term business plan, we are further developing the expertise of each business company and enhancing functional cooperation among Group companies to further increase the Group’s strengths and synergies.

Through these efforts, business unit profits in the financial and general businesses were 7.3 billion yen in fiscal 2015 and are projected to be 4.0 billion yen in fiscal 2016.

Financial Highlights

<table>
<thead>
<tr>
<th>Business Unit Profits</th>
<th>FY2014</th>
<th>FY2015</th>
<th>FY2016 (Projection)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial and General Businesses</td>
<td>4.0</td>
<td>7.3</td>
<td>4.0</td>
</tr>
</tbody>
</table>

Financial Business

Tokio Marine Asset Management

Tokio Marine Asset Management works continually to enhance its asset management capabilities and product appeal by handling alternative investments such as hedge funds and infrastructure funds in addition to traditional investment in stocks and bonds, with the investment philosophy “based on proprietary and thorough research and analysis”.

In October 2016, the company is scheduled to merge with Tokio Marine Property Investment Management, which provides domestic private REIT and overseas real estate fund of funds, leveraging its sophisticated know-how in real estate investment. As one of the few domestic asset management companies that manage property investments as well, the new asset management company will provide higher-quality asset management services and will aim for the sustainable growth of Tokio Marine Group’s asset management business.

Morningstar Award Fund of the Year 2015
Balanced Fund Division, Best Fund of the Year
Tokio Marine Japanese Yen Asset Balance Fund (monthly settlement type)

Bond Fund Division, Fund of the Year
Tokio Marine Nippon World Bond Fund (with FX hedging)

Lipper Fund Awards Japan 2016
Best Group, Overall (for 3 consecutive years)

Morningstar Award Fund of the Year 2015
The awards are given by Morningstar, an investment fund evaluation organization. The company selects domestic open-ended stock investment trusts that meet quantitative criteria for risk and return as well as qualitative criteria such as management style and research with a proven record of investment performance under superior management. Please refer to the URL below for details (Japanese only).
http://www.morningstar.co.jp/event/foy2015/

Lipper Fund Awards Japan 2016
Lipper Fund Awards Japan 2016 is part of the Lipper Fund Awards Program held in various cities around the world. The awards select and honor superior funds and management companies from among the domestic and international funds registered for sale in Japan. Selection and evaluation are made using Consistent Return under Lipper’s own investment trust evaluation system, Lipper Leader Rating System (Lipper Leaders). Please refer to the URL below for details about Lipper and Lipper Leaders.
http://lipperfundawards.com
Tokio Marine Capital
Tokio Marine Capital manages private equity funds that meet the investment management needs of institutional investors by working to improve corporate value together with its investee companies. The company conducts management buyouts for corporate restructuring and buyouts with business succession by the owner company, etc.

Tokio Marine Mezzanine
Tokio Marine Mezzanine was established in November 2013 to manage mezzanine (a financing method between bank loans and equity financing) funds. It meets companies’ diversifying needs for finance while providing new investment products to institutional investors using the mezzanine fund know-how accumulated by Tokio Marine & Nichido.

General Business

Tokio Marine & Nichido Risk Consulting
The environment in which companies operate has been rapidly changing, with the frequent occurrence of large-scale natural catastrophes worldwide including Japan, increasing geopolitical risks, and the increasing complexity of supply chains on a global basis, among other factors. Formulating risk countermeasures adapted to the times, or more specifically incorporating risk management into corporate management, is indispensable for ongoing corporate expansion, and needs in this area are rising.

Tokio Marine & Nichido Risk Consulting provides sophisticated risk consulting for various risks faced by companies, ranging from business continuity management to rapid disaster recovery (by BELFOR), strategic risk management, overseas crisis management, infectious disease countermeasures, product safety management, auto accident reduction, data health support and cyber risk countermeasures.

One example is the risk posed to corporate management by the frequent occurrence of natural catastrophes. We support corporate management by visualizing and quantitatively evaluating risks through the development of simulation models for tsunamis and floods. By making proposals to prevent or mitigate the risks based on the results, the company helps to improve the corporate value of customers.

Tokio Marine Nichido Better Life Service
As the rate of aging (percentage of the population aged 65 or older) in Japan is rising every year, the country is about to face an unprecedented super-aged society. In fiscal 2014, long-term care benefit expenses reached approximately 9 trillion yen. Nursing care costs as well as the number of users and providers of nursing care services are increasing along with the growing demand.

Tokio Marine Group entered the nursing care business ahead of other domestic insurance companies by establishing Tokio Marine Better Life Service in 1996. The company has been engaged in a “home-visit care business”, “assistance in receiving home-based care business”, “senior housing with services” and “solution services business” (seminars on nursing care, etc.). Since 2006, Tokio Marine Nichido Samuel has been engaged in operation of private nursing care homes for the elderly.

In July 2016, the two companies merged to become Tokio Marine Nichido Better Life Service. By leveraging the accumulated expertise of the two companies, the Group will strive for sustainable growth in the nursing care business by providing high-quality nursing services.

Maximize the Group’s Strengths and Synergies

- Tokio Marine & Nichido Risk Consulting
- Tokio Marine Assistance
- Tokio Marine & Nichido Career Service
- Tokio Marine & Nichido Anshin Consulting
- Tokio Marine & Nichido Medical Service
- Tokio Marine Nichido Better Life Service
- Tokio Marine Nichido Facilities
- Tokio Marine Nichido Anshin Consulting
- Tokio Marine & Nichido Healthcare for the elderly
- Tokio Marine & Nichido Life planning
- Tokio Marine & Nichido Facility management
- Tokio Marine & Nichido Comprehensive human resource services

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