

Summary of Consolidated Business Results of Tokio Marine Holdings, Inc. under Japanese GAAP for the six months ended September 30, 2018



MEMBERSHIP
November 19, 2018

Company Name: Tokio Marine Holdings, Inc. (the "Company")
Securities Code Number: 8766
(URL: <http://www.tokiomarinehd.com/en/>)
Representative: Tsuyoshi Nagano, President
Contact: Tetsuya Hirano, Corporate Planning Dept. (Tel: 03-5223-3212)
Scheduled date to file Quarterly Securities Report : November 22, 2018
Scheduled date to commence dividend payments: December 11, 2018
Supplementary information for quarterly financial statements: Available
Quarterly 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 six months ended September 30, 2018 (April 1, 2018 to September 30, 2018)

(1) Consolidated Results of Operations

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

	Ordinary income		Ordinary profit		Net income attributable to owners of the parent	
	million yen	%	million yen	%	million yen	%
Six months ended September 30, 2018	2,767,538	1.3	75,100	(37.3)	53,885	(29.8)
Six months ended September 30, 2017	2,732,332	5.6	119,828	(43.9)	76,778	(50.6)

(Note) Comprehensive income:

Six months ended September 30, 2018	(29,754) million yen	- %
Six months ended September 30, 2017	194,054 million yen	- %

	Net income per share - Basic	Net income per share - Diluted
	yen	yen
Six months ended September 30, 2018	74.67	74.62
Six months ended September 30, 2017	102.70	102.62

(2) Consolidated Financial Conditions

	Total assets	Net assets	Ratio of equity capital to total assets
	million yen	million yen	%
As of September 30, 2018	23,301,818	3,697,964	15.7
As of March 31, 2018	22,929,935	3,835,536	16.6

(Reference) Equity capital:

As of September 30, 2018	3,669,058 million yen
As of March 31, 2018	3,805,194 million yen

2. Dividends

	Cash dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	Annual total
	yen	yen	yen	yen	yen
Fiscal year 2017	-	80.00	-	80.00	160.00
Fiscal year 2018	-	160.00	-	-	-
Fiscal year 2018 (Forecast)	-	-	-	90.00	250.00

(Note) 1. Revision to the latest dividend forecast: Yes

2. Breakdown of interim dividend Ordinary dividend 90 yen
One-time dividend for the capital level adjustment 70 yen (*)

* The company resolved additional shareholder return of around 100.0 billion yen, which consists of one-time dividend for the capital level adjustment (total amount of 50.1 billion yen) and share repurchases (up to 50.0 billion yen).

3. Consolidated Business Forecasts for the fiscal year 2018 (April 1, 2018 to March 31, 2019)

(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 2018	455,000	31.9	320,000	12.6	445.10

(Note) Revision to the latest Consolidated Business Forecasts: Yes

*** Notes**

(1) Changes in significant subsidiaries during the six months ended September 30, 2018

(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: None

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

(c) Changes in accounting estimates: None

(d) Retrospective restatements: None

(3) Number of shares issued (common stock)

(a) Total number of shares issued including treasury stock

As of September 30, 2018 719,700,000 shares

As of March 31, 2018 748,024,375 shares

(b) Number of treasury stock held

As of September 30, 2018 3,438,030 shares

As of March 31, 2018 22,591,149 shares

(c) Average number of shares outstanding

During the six months ended September 30, 2018 721,587,241 shares

During the six months ended September 30, 2017 747,557,683 shares

Summary of Non-consolidated Business Results of Tokio Marine Holdings, Inc. under Japanese GAAP for the six months ended September 30, 2018

1. Non-consolidated Business Results for the six months ended September 30, 2018 (April 1, 2018 to September 30, 2018)

(1) Non-consolidated Results of Operations

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

	Operating income		Operating profit		Ordinary profit		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Six months ended September 30, 2018	141,440	188.7	133,777	207.8	133,810	208.0	133,567	208.7
Six months ended September 30, 2017	48,991	106.9	43,468	129.7	43,449	130.0	43,270	128.6

	Net income per share - Basic
	yen
Six months ended September 30, 2018	185.10
Six months ended September 30, 2017	57.88

(2) Non-consolidated Financial Conditions

	Total assets	Net assets	Ratio of equity capital to total assets
	million yen	million yen	%
As of September 30, 2018	2,428,269	2,425,036	99.8
As of March 31, 2018	2,401,883	2,399,182	99.8

(Reference) Equity capital:

As of September 30, 2018 2,422,887 million yen

As of March 31, 2018 2,396,629 million yen

2. Non-consolidated Business Forecasts for the fiscal year 2018 (April 1, 2018 to March 31, 2019)

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

	Operating income		Ordinary profit		Net income		Net income per share - Basic
	million yen	%	million yen	%	million yen	%	yen
Fiscal year 2018	299,000	31.4	281,000	30.5	281,000	38.1	390.86

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

***Notes concerning the business forecasts and other items**

1. Business forecasts are prepared based on certain assumptions and information available to the Company as of the release date of this document, and actual results may significantly differ depending on various factors.

2. The Company prepared its consolidated and non-consolidated interim financial statements for the six months ended September 30, 2018 since it is a "specific business company" defined in Article 17-15, paragraph 2 of the Cabinet Office Ordinance on Disclosure of Company Information.

Contents of Appendix

1. Qualitative information concerning Consolidated Business Results for the six months ended September 30, 2018	2
(1) Qualitative information concerning Consolidated Results of Operations	2
(2) Qualitative information concerning Consolidated Financial Conditions	2
(3) Qualitative information concerning Consolidated Business Forecasts	2
2. Consolidated Financial Statements and Major Notes	3
(1) Consolidated Balance Sheet	3
(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income	4
(3) Consolidated Statement of Changes in Shareholders' Equity	6
(4) Notes regarding going concern assumption	7
3. Others	8
(1) Summary of Consolidated Business Results	8
(2) Premiums written and claims paid by lines of business	9
(3) Securities	10
(4) Derivative transactions	12

1. Qualitative information concerning Consolidated Business Results for the six months ended September 30, 2018

(1) Qualitative information concerning Consolidated Results of Operations

During the six months ended September 30, 2018, despite the escalated trade friction between the U.S. and China and growing concern towards currency crises in certain emerging countries, the world economy as a whole made steady progress due to the robust U.S. economy and the economic expansion in China.

In Japan, the economy gradually improved due to domestic demand such as capital expenditures and consumer spending.

Under these circumstances, as a result of our efforts to expand our business, which is centered on non-life and life insurance, our consolidated results of operations for the six months ended September 30, 2018 were as follows:

Ordinary income increased by 35.2 billion yen to 2,767.5 billion yen from the same period in the previous fiscal year, the main components of which were Underwriting income of 2,391.4 billion yen and Investment income of 317.8 billion yen. Ordinary expenses increased by 79.9 billion yen to 2,692.4 billion yen from the same period in the previous fiscal year, the main components of which were Underwriting expenses of 2,227.2 billion yen, Investment expenses of 27.2 billion yen, and Operating and general administrative expenses of 423.6 billion yen.

As a result, Ordinary profit decreased by 44.7 billion yen to 75.1 billion yen from the same period in 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 22.8 billion yen to 53.8 billion yen from the same period in the previous fiscal year.

(2) Qualitative information concerning Consolidated Financial Conditions

As of September 30, 2018, consolidated total assets increased by 371.8 billion yen to 23,301.8 billion yen from that as of March 31, 2018, mainly due to the expansion of our domestic and international insurance businesses.

(3) Qualitative information concerning Consolidated Business Forecasts

The Company has revised its consolidated business forecasts for the fiscal year 2018. The revised consolidated business forecasts are 455.0 billion yen for Ordinary profit and 320.0 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 3,590.0 billion yen and 990.0 billion yen respectively, based on the Company's own projections taking into consideration the business results for previous years and for the six months ended September 30, 2018.
- Net incurred losses related to natural catastrophe are projected to be 220.0 billion yen for Tokio Marine & Nichido Fire Insurance Co., Ltd. and 16.0 billion yen for Nisshin Fire & Marine Insurance Co., Ltd., taking into consideration the actual results for previous years and for the six months ended September 30, 2018.
- Regarding interest rates, exchange rates and stock market conditions, the Company assumes there will be no significant changes from those as of September 30, 2018.

The above forecasts are prepared based on the aforementioned assumptions and information available to the Company as of the release date of this document. The actual results may significantly differ depending on various factors.

2. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheet

(Yen in millions)

	As of March 31, 2018	As of September 30, 2018
Assets		
Cash and bank deposits	733,832	871,726
Call loans	135,000	-
Receivables under resale agreements	4,999	4,999
Receivables under securities borrowing transactions	30,880	19,768
Monetary receivables bought	1,252,343	1,490,080
Money trusts	214,101	2,143
Securities	16,629,902	16,967,012
Loans	1,011,880	998,691
Tangible fixed assets	289,116	289,443
Intangible fixed assets	798,003	787,958
Other assets	1,801,286	1,840,109
Net defined benefit assets	8,019	8,270
Deferred tax assets	30,889	31,666
Customers' liabilities under acceptances and guarantees	2,345	2,230
Allowance for doubtful accounts	(12,667)	(12,285)
Total assets	22,929,935	23,301,818
Liabilities		
Insurance liabilities	16,266,467	16,731,587
Outstanding claims	2,973,350	3,173,675
Underwriting reserves	13,293,117	13,557,912
Corporate bonds	59,766	57,610
Other liabilities	1,927,760	2,017,972
Payables under securities lending transactions	383,853	455,673
Other liabilities	1,543,906	1,562,299
Net defined benefit liabilities	255,588	258,081
Provision for employees' bonus	65,752	56,881
Reserves under special laws	100,511	104,469
Reserve for price fluctuation	100,511	104,469
Deferred tax liabilities	366,835	330,763
Negative goodwill	49,369	44,255
Acceptances and guarantees	2,345	2,230
Total liabilities	19,094,398	19,603,853
Net assets		
Shareholders' equity		
Share capital	150,000	150,000
Retained earnings	1,837,908	1,687,670
Treasury stock	(114,446)	(17,672)
Total shareholders' equity	1,873,461	1,819,997
Accumulated other comprehensive income		
Unrealized gains (losses) on available-for-sale securities	1,864,865	1,858,318
Deferred gains (losses) on hedge transactions	10,829	5,519
Foreign currency translation adjustments	76,081	4,076
Remeasurements of defined benefit plans	(20,044)	(18,854)
Total accumulated other comprehensive income	1,931,732	1,849,060
Stock acquisition rights	2,552	2,148
Non-controlling interests	27,789	26,758
Total net assets	3,835,536	3,697,964
Total liabilities and net assets	22,929,935	23,301,818

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

(Yen in millions)

	Six months ended September 30, 2017 (April 1, 2017 to September 30, 2017)	Six months ended September 30, 2018 (April 1, 2018 to September 30, 2018)
Ordinary income	2,732,332	2,767,538
Underwriting income	2,337,766	2,391,496
Net premiums written	1,806,487	1,836,420
Deposit premiums from policyholders	50,678	46,233
Investment income on deposit premiums	22,659	21,136
Life insurance premiums	455,927	485,483
Investment income	340,941	317,890
Interest and dividends	221,270	242,626
Gains on money trusts	2,953	82
Gains on trading securities	489	1,295
Gains on sales of securities	66,674	80,347
Gains on redemption of securities	470	276
Investment gains on separate accounts	23,686	6,933
Transfer of investment income on deposit premiums	(22,659)	(21,136)
Other ordinary income	53,625	58,151
Amortization of negative goodwill	5,114	5,114
Ordinary expenses	2,612,504	2,692,438
Underwriting expenses	2,127,285	2,227,214
Net claims paid	912,159	965,696
Loss adjustment expenses	68,458	71,315
Agency commissions and brokerage	344,854	353,827
Maturity refunds to policyholders	81,028	70,202
Dividends to policyholders	29	18
Life insurance claims	300,825	265,824
Provision for outstanding claims	159,077	249,595
Provision for underwriting reserves	257,389	248,649
Investment expenses	52,242	27,239
Losses on money trusts	4,741	1,540
Losses on sales of securities	4,595	5,954
Impairment losses on securities	2,510	2,186
Losses on redemption of securities	776	180
Losses on derivatives	35,615	13,945
Operating and general administrative expenses	421,788	423,624
Other ordinary expenses	11,188	14,359
Interest expenses	6,603	8,214
Increase in allowance for doubtful accounts	587	255
Losses on bad debts	44	184
Equity in losses of affiliates	721	1,886
Amortization of deferred assets under Article 113 of the Insurance Business Act	1,913	1,913
Ordinary profit	119,828	75,100

(Yen in millions)

	Six months ended September 30, 2017 (April 1, 2017 to September 30, 2017)	Six months ended September 30, 2018 (April 1, 2018 to September 30, 2018)
Extraordinary gains	1,681	329
Gains on disposal of fixed assets	77	36
Other extraordinary gains	1,603	292
Extraordinary losses	4,487	5,671
Losses on disposal of fixed assets	955	353
Impairment losses on fixed assets	60	1,359
Provision for reserves under special laws	3,469	3,957
Provision for reserve for price fluctuation	3,469	3,957
Other extraordinary losses	2	-
Income before income taxes and non-controlling interests	117,022	69,758
Income taxes - current	70,562	48,961
Income taxes - deferred	(31,439)	(33,790)
Total income taxes	39,123	15,170
Net income	77,899	54,588
Net income attributable to non-controlling interests	1,121	702
Net income attributable to owners of the parent	76,778	53,885

(Consolidated Statement of Comprehensive Income)

(Yen in millions)

	Six months ended September 30, 2017 (April 1, 2017 to September 30, 2017)	Six months ended September 30, 2018 (April 1, 2018 to September 30, 2018)
Net income	77,899	54,588
Other comprehensive income		
Unrealized gains (losses) on available-for-sale securities	186,903	(7,029)
Deferred gains (losses) on hedge transactions	(1,398)	(5,309)
Foreign currency translation adjustments	(71,492)	(69,291)
Remeasurements of defined benefit plans	1,753	1,193
Share of other comprehensive income of affiliates accounted for by the equity method	388	(3,906)
Total other comprehensive income	116,154	(84,342)
Total comprehensive income	194,054	(29,754)
Comprehensive income attributable to:		
Owners of the parent	192,462	(28,844)
Non-controlling interests	1,592	(909)

(3) Consolidated Statement of Changes in Shareholders' Equity

Six months ended September 30, 2017 (April 1, 2017 to September 30, 2017)

(Yen in millions)

	Shareholders' equity			
	Share capital	Retained earnings	Treasury stock	Total shareholders' equity
Beginning balance	150,000	1,699,030	(13,658)	1,835,371
Changes during the six months				
Dividends		(54,383)		(54,383)
Net income attributable to owners of the parent		76,778		76,778
Purchases of treasury stock			(25,039)	(25,039)
Disposal of treasury stock		(210)	640	429
Cancellation of treasury stock		(23,661)	23,661	-
Changes in the scope of application of equity method		5,675		5,675
Changes in equity resulted from increase in capital of consolidated subsidiaries		(27)		(27)
Others				-
Net changes in items other than shareholders' equity				
Total changes during the six months	-	4,171	(737)	3,434
Ending balance	150,000	1,703,202	(14,396)	1,838,805

	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	1,600,740	11,098	112,869	(17,933)	2,292	25,321	3,569,760
Changes during the six months							
Dividends							(54,383)
Net income attributable to owners of the parent							76,778
Purchases of treasury stock							(25,039)
Disposal of treasury stock							429
Cancellation of treasury stock							-
Changes in the scope of application of equity method							5,675
Changes in equity resulted from increase in capital of consolidated subsidiaries							(27)
Others							-
Net changes in items other than shareholders' equity	186,768	(1,398)	(72,381)	1,753	(86)	1,246	115,902
Total changes during the six months	186,768	(1,398)	(72,381)	1,753	(86)	1,246	119,336
Ending balance	1,787,508	9,700	40,488	(16,180)	2,206	26,567	3,689,097

Six months ended September 30, 2018 (April 1, 2018 to September 30, 2018)

(Yen in millions)

	Shareholders' equity			
	Share capital	Retained earnings	Treasury stock	Total shareholders' equity
Beginning balance	150,000	1,837,908	(114,446)	1,873,461
Changes during the six months				
Dividends		(58,034)		(58,034)
Net income attributable to owners of the parent		53,885		53,885
Purchases of treasury stock			(50,037)	(50,037)
Disposal of treasury stock		(452)	1,214	762
Cancellation of treasury stock		(145,597)	145,597	-
Changes in the scope of application of equity method				-
Changes in equity resulted from increase in capital of consolidated subsidiaries		(9)		(9)
Others		(29)		(29)
Net changes in items other than shareholders' equity				
Total changes during the six months	-	(150,238)	96,773	(53,464)
Ending balance	150,000	1,687,670	(17,672)	1,819,997

	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	1,864,865	10,829	76,081	(20,044)	2,552	27,789	3,835,536
Changes during the six months							
Dividends							(58,034)
Net income attributable to owners of the parent							53,885
Purchases of treasury stock							(50,037)
Disposal of treasury stock							762
Cancellation of treasury stock							-
Changes in the scope of application of equity method							-
Changes in equity resulted from increase in capital of consolidated subsidiaries							(9)
Others							(29)
Net changes in items other than shareholders' equity	(6,546)	(5,309)	(72,005)	1,190	(403)	(1,031)	(84,107)
Total changes during the six months	(6,546)	(5,309)	(72,005)	1,190	(403)	(1,031)	(137,571)
Ending balance	1,858,318	5,519	4,076	(18,854)	2,148	26,758	3,697,964

(4) Notes regarding going concern assumption

Not applicable.

3. Others

(1) Summary of Consolidated Business Results

(Yen in millions)

	Six months ended September 30, 2017 (April 1, 2017 to September 30, 2017)	Six months ended September 30, 2018 (April 1, 2018 to September 30, 2018)	Increase (Decrease)	Rate of change
Ordinary income and expenses				%
Underwriting income	2,337,766	2,391,496	53,730	2.3
Net premiums written	1,806,487	1,836,420	29,933	1.7
Deposit premiums from policyholders	50,678	46,233	(4,445)	(8.8)
Life insurance premiums	455,927	485,483	29,555	6.5
Underwriting expenses	2,127,285	2,227,214	99,928	4.7
Net claims paid	912,159	965,696	53,537	5.9
Loss adjustment expenses	68,458	71,315	2,857	4.2
Agency commissions and brokerage	344,854	353,827	8,972	2.6
Maturity refunds to policyholders	81,028	70,202	(10,826)	(13.4)
Life insurance claims	300,825	265,824	(35,001)	(11.6)
Provision for outstanding claims	159,077	249,595	90,518	56.9
Provision for underwriting reserves	257,389	248,649	(8,740)	(3.4)
Investment income	340,941	317,890	(23,050)	(6.8)
Interest and dividends	221,270	242,626	21,356	9.7
Gains on sales of securities	66,674	80,347	13,672	20.5
Investment gains on separate accounts	23,686	6,933	(16,753)	(70.7)
Investment expenses	52,242	27,239	(25,003)	(47.9)
Losses on sales of securities	4,595	5,954	1,358	29.6
Impairment losses on securities	2,510	2,186	(324)	(12.9)
Losses on derivatives	35,615	13,945	(21,670)	(60.8)
Operating and general administrative expenses	421,788	423,624	1,836	0.4
Other ordinary income and expenses	42,437	43,791	1,354	3.2
Equity in earnings (losses) of affiliates	(721)	(1,886)	(1,164)	-
Ordinary profit	119,828	75,100	(44,727)	(37.3)
Extraordinary gains and losses				
Extraordinary gains	1,681	329	(1,352)	(80.4)
Extraordinary losses	4,487	5,671	1,183	26.4
Extraordinary gains (losses)	(2,806)	(5,341)	(2,535)	-
Income before income taxes and non-controlling interests	117,022	69,758	(47,263)	(40.4)
Income taxes - current	70,562	48,961	(21,601)	(30.6)
Income taxes - deferred	(31,439)	(33,790)	(2,350)	-
Total income taxes	39,123	15,170	(23,952)	(61.2)
Net income	77,899	54,588	(23,310)	(29.9)
Net income attributable to non-controlling interests	1,121	702	(418)	(37.3)
Net income attributable to owners of the parent	76,778	53,885	(22,892)	(29.8)

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

Direct premiums written including deposit premiums from policyholders

(Yen in millions)

	Six months ended September 30, 2017 (April 1, 2017 to September 30, 2017)			Six months ended September 30, 2018 (April 1, 2018 to September 30, 2018)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	300,414	15.6	5.2	307,436	15.7	2.3
Hull and cargo	65,203	3.4	7.1	65,497	3.4	0.5
Personal accident	170,649	8.9	(8.9)	166,068	8.5	(2.7)
Voluntary automobile	695,572	36.2	4.3	695,314	35.6	(0.0)
Compulsory automobile liability	143,936	7.5	(0.5)	137,764	7.0	(4.3)
Others	546,940	28.4	14.5	582,226	29.8	6.5
Total	1,922,716	100.0	5.5	1,954,309	100.0	1.6
Deposit premiums from policyholders	50,678	2.6	(21.4)	46,233	2.4	(8.8)

Net premiums written

(Yen in millions)

	Six months ended September 30, 2017 (April 1, 2017 to September 30, 2017)			Six months ended September 30, 2018 (April 1, 2018 to September 30, 2018)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	255,288	14.1	4.2	281,540	15.3	10.3
Hull and cargo	58,297	3.2	10.4	59,546	3.2	2.1
Personal accident	122,861	6.8	(1.2)	121,922	6.6	(0.8)
Voluntary automobile	720,479	39.9	3.6	707,791	38.5	(1.8)
Compulsory automobile liability	159,032	8.8	6.3	143,705	7.8	(9.6)
Others	490,527	27.2	13.1	521,914	28.4	6.4
Total	1,806,487	100.0	6.2	1,836,420	100.0	1.7

Net claims paid

(Yen in millions)

	Six months ended September 30, 2017 (April 1, 2017 to September 30, 2017)			Six months ended September 30, 2018 (April 1, 2018 to September 30, 2018)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	130,720	14.3	2.4	185,148	19.2	41.6
Hull and cargo	28,324	3.1	9.0	28,540	3.0	0.8
Personal accident	50,969	5.6	4.1	50,806	5.3	(0.3)
Voluntary automobile	379,730	41.6	5.5	397,958	41.2	4.8
Compulsory automobile liability	110,528	12.1	(2.6)	108,280	11.2	(2.0)
Others	211,886	23.2	20.5	194,963	20.2	(8.0)
Total	912,159	100.0	7.1	965,696	100.0	5.9

(3) Securities

1. Bonds held to maturity

(Yen in millions)

		As of March 31, 2018			As of September 30, 2018		
		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	3,499,834	4,280,260	780,425	3,137,877	3,813,151	675,273
	Foreign securities	16,634	17,050	416	12,858	13,115	257
	Subtotal	3,516,468	4,297,310	780,842	3,150,736	3,826,267	675,531
Those with fair value not exceeding the carrying amount	Domestic debt securities	1,246,592	1,154,080	(92,511)	1,584,040	1,450,916	(133,124)
	Foreign securities	22,116	21,519	(597)	26,819	25,425	(1,393)
	Subtotal	1,268,709	1,175,600	(93,108)	1,610,859	1,476,341	(134,517)
Total		4,785,178	5,472,911	687,733	4,761,596	5,302,609	541,013

2. Bonds earmarked for underwriting reserves

(Yen in millions)

		As of March 31, 2018			As of September 30, 2018		
		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	22,619	23,664	1,044	18,657	19,471	813
	Foreign securities	9,171	9,342	170	5,729	5,801	72
	Subtotal	31,791	33,006	1,214	24,387	25,273	885
Those with fair value not exceeding the carrying amount	Domestic debt securities	-	-	-	212,915	204,957	(7,958)
	Foreign securities	6,388	6,220	(168)	9,673	9,390	(283)
	Subtotal	6,388	6,220	(168)	222,589	214,347	(8,241)
Total		38,180	39,227	1,046	246,976	239,620	(7,355)

3. Available-for-sale securities

(Yen in millions)

		As of March 31, 2018			As of September 30, 2018		
		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	3,604,581	3,202,528	402,052	3,069,583	2,726,144	343,439
	Domestic equity securities	2,626,078	613,425	2,012,652	2,747,296	596,129	2,151,166
	Foreign securities	3,075,059	2,861,452	213,606	2,668,803	2,496,663	172,139
	Others (Note 2)	665,045	622,904	42,141	462,686	428,719	33,967
	Subtotal	9,970,764	7,300,311	2,670,453	8,948,370	6,247,657	2,700,713
Those with fair value not exceeding the cost	Domestic debt securities	336,688	342,785	(6,097)	741,331	753,580	(12,249)
	Domestic equity securities	12,575	14,700	(2,125)	10,538	12,041	(1,502)
	Foreign securities	1,312,266	1,346,835	(34,568)	1,878,995	1,941,234	(62,239)
	Others (Note 3)	643,587	655,619	(12,032)	1,062,193	1,082,591	(20,398)
	Subtotal	2,305,117	2,359,941	(54,823)	3,693,058	3,789,447	(96,389)
Total		12,275,882	9,660,253	2,615,629	12,641,429	10,037,105	2,604,324

(Note) 1. Available-for-sale securities whose fair value cannot be measured reliably are not included in the table above.

2. As of March 31, 2018, "Others" includes foreign mortgage securities, etc. (fair value 652,148 million yen, cost 613,589 million yen, unrealized gains 38,559 million yen) which are presented as Monetary receivables bought on the consolidated balance sheet.

As of September 30, 2018, "Others" includes foreign mortgage securities, etc. (fair value 444,958 million yen, cost 415,245 million yen, unrealized gains 29,713 million yen) which are presented as Monetary receivables bought on the consolidated balance sheet.

3. As of March 31, 2018, "Others" includes negotiable certificates of deposit (fair value 36,032 million yen, cost 36,032 million yen) which are presented as Cash and bank deposits on the consolidated balance sheet, and foreign mortgage securities, etc. (fair value 598,527 million yen, cost 610,352 million yen, unrealized losses (11,824) million yen) which are presented as Monetary receivables bought on the consolidated balance sheet.

As of September 30, 2018, "Others" includes negotiable certificates of deposit (fair value 12,765 million yen, cost 12,765 million yen) which are presented as Cash and bank deposits on the consolidated balance sheet, and foreign mortgage securities, etc. (fair value 1,043,326 million yen, cost 1,063,376 million yen, unrealized losses (20,050) million yen) which are presented as Monetary receivables bought on the consolidated balance sheet.

4. Securities on which impairment losses were recognized

For the fiscal year 2017, impairment losses of 7,121 million yen (Domestic equity securities 296 million yen, Foreign securities 4,321 million yen, Others 2,502 million yen) were recognized for Available-for-sale securities with fair value. Impairment losses of 439 million yen (Domestic equity securities 206 million yen, Foreign securities 232 million yen) were also recognized for those whose fair value cannot be measured reliably.

For the six months ended September 30, 2018, impairment losses of 2,825 million yen (Domestic equity securities 596 million yen, Foreign securities 1,502 million yen, Others 726 million yen) were recognized for Available-for-sale securities with fair value. Impairment losses of 87 million yen (Domestic equity securities 28 million yen, Foreign securities 59 million yen) were also recognized for those whose fair value cannot be measured reliably.

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

(4) Derivative transactions

(Yen in millions)

	As of March 31, 2018			As of September 30, 2018		
	Principal amount	Fair value	Unrealized gains (losses)	Principal amount	Fair value	Unrealized gains (losses)
Foreign currency-related instruments						
Currency futures						
Short	1,960	-	-	3,729	-	-
Long	659	-	-	-	-	-
Foreign exchange forwards						
Short	662,431	2,227	2,227	560,193	(8,980)	(8,980)
Long	137,817	(1,782)	(1,782)	57,654	361	361
Currency swaps	12,045	-	-	1,192	-	-
Interest rate-related instruments						
Interest rate futures						
Short	183,507	133	133	11,700	-	-
Long	574	-	-	1,787	-	-
Interest rate swaps	2,944,185	21,642	21,642	2,732,521	19,060	19,060
Equity-related instruments						
Equity index futures						
Short	12,294	(180)	(180)	40,499	(713)	(713)
Long	2,704	(11)	(11)	3,064	9	9
Equity forwards						
Short	392	38	38	392	31	31
Equity index options						
Short	117,884			122,103		
	[3,084]	8,343	(5,259)	[3,585]	4,381	(795)
Long	158,032			178,431		
	[10,677]	16,078	5,401	[12,616]	11,247	(1,368)
Bond-related instruments						
Bond futures						
Short	24,119	60	60	162,048	1,158	1,158
Long	122,590	1,237	1,237	81,215	(110)	(110)
Bond future options						
Short	11			3,996		
	[2]	0	1	[4]	2	2
Bond over-the-counter options						
Short	20,950			36,310		
	[14]	13	0	[77]	71	6
Long	20,950			26,759		
	[64]	40	(23)	[153]	120	(33)
Commodity-related instruments						
Commodity futures						
Short	786	-	-	740	-	-
Long	322	-	-	589	-	-
Commodity swaps	934	(86)	(86)	120	(42)	(42)
Others						
Natural catastrophe derivatives						
Short	60,029			49,195		
	[7,278]	5,502	1,775	[6,703]	4,940	1,763
Long	73,274			62,505		
	[9,651]	7,879	(1,772)	[8,835]	6,520	(2,315)
Weather derivatives						
Short	13			51		
	[1]	0	0	[11]	7	3
Others						
Short	22,600			22,108		
	[2,599]	2,147	452	[2,542]	1,769	772
Long	12,016			11,516		
	[1,169]	1,289	120	[1,144]	1,128	(15)
Total	—	64,574	23,974	—	40,963	8,793

(Note) 1. For option contracts, option premiums are denoted with [].

2. Transactions to which hedge accounting is applied are not included in the table above.