

Agreement for Sale of Tokio Marine Pacific Insurance

Tokio Marine Holdings, Inc. (President and Group CEO: Satoru Komiya) today announced that a definitive agreement has been signed with Calvo Enterprises Inc. (hereinafter “Calvo”) for the sale of Tokio Marine Pacific Insurance Limited (hereinafter “TMPI”), our subsidiary in Guam, the United States. The transaction is subject to regulatory approvals and is expected to close in the second half of fiscal year 2023.

1. Background and Purpose

TMPI, our local subsidiary in Guam, specializes in underwriting medical and property/casualty insurance in Guam and the Northern Mariana Islands through its managing general agentsⁱ. In fiscal year 2022, TMPI recorded premiums written of approximately USD 176 million (approx. JPY 23.4 billionⁱⁱ) and has been gradually expanding its business.

Regardless, as part of our capital efficiency improvement and risk diversification efforts, it was decided to divest TMPI for further portfolio optimization and we have agreed its sale to Calvo, a TMPI managing general agent that has shown a keen interest in TMPI's business portfolio.

In response to changes in market conditions, we will continuously review our business portfolio in a timely and appropriate manner to ensure strategic utilization of capital and effective risk control. The sale of TMPI to Calvo is not expected to have a material impact on Tokio Marine Holdings' overall business performance.

2. Overview of TMPI

(1) Company name	Tokio Marine Pacific Insurance Limited
(2) Office location	Guam, U.S.
(3) Nature of business	Medical and property/casualty insurance underwriting in Guam and the Northern Mariana Islands
(4) Gross premiums	Approx. USD 176 million (approx. JPY 23.4 billion ⁱⁱⁱ) in FY2022.
(5) Ownership	100% owned by TMNF through intermediate holding company
(6) Number of employees	Approx. 20

This transaction will not affect the local affiliated hospital service provided by TMNF^{iv} for overseas travel accident insurance, which we will continue to provide.

ⁱ A specialized type of insurance agent that has been granted underwriting authority by an insurer.

ⁱⁱ Exchange rate is USD 1 = JPY 132.7 as of December 31, 2022.

ⁱⁱⁱ Exchange rate is USD 1 = JPY 132.7 as of December 31, 2022.

^{iv} The affiliated hospital service ensures cashless medical treatment, where TMNF directly pays the hospital for the medical expenses, allowing customers to receive treatment without upfront out-of-pocket expenses.