Tokio Marine Holdings, Inc.

TOKIO MARINE

*To Be a **Good Company***

INTEGRATED ANNUAL REPORT 2015

Contents

Editorial Policy

Tokio Marine Group has established a new Group message, "To Be a Good Company", to show its resolve to continue to aim to be a "Good Company".

To present our ideas and measures for continuing to aim to be a "Good Company" in a format that is easy for our stakeholders to understand, we have published this Integrated Annual Report, which comprehensively compiles non-financial information such as the value creation processes and CSR activities that are the foundation of our sustainable growth in addition to financial information such as business results and management strategies.

Note: In editing this report, we have referred to international guidelines including the "International Integrated Reporting Framework 1.0" proposed by the International Integrated Reporting Council (IIRC) and aimed to take the perspective of stakeholders.

Forward-Looking Statements

All forward-looking information is based on current information and assumptions available to Tokio Marine Holdings at the time of the preparation of this report and is subject to a range of inherent risks and uncertainties. Readers should note that actual results may vary materially from those estimated, anticipated, expected or projected in this report and no assurances can be given that any such forward-looking information will prove to have been accurate.

To Be a ***Good Company***

We will be there for our customers, playing our part in society in times of need.

We will balance our strength as an organization with compassion as individuals, looking beyond profit to deliver fully on our commitments.

Through our collective efforts, we will strive to be a Good Company, living up to the trust placed in us.

Tokio Marine Group Corporate Philosophy

With customer trust as the foundation for all its activities, Tokio Marine Group continually strives to raise corporate value.

Through the provision of the highest quality products and services, Tokio Marine Group aims to deliver safety and security to all our customers.

By developing sound, profitable and growing businesses throughout the world, Tokio Marine Group will fulfill its mandate to shareholders.

Tokio Marine Group will continue to build an open and dynamic corporate culture that enables each and every employee to demonstrate his or her creative potential.

Acting as a good corporate citizen through fair and responsible management, Tokio Marine Group will broadly contribute to the development of society.

Message from the President and CEO

Tokio Marine Group Aims to Be a "Good Company" That Can Continue to Sustainably Provide Value to Its Stakeholders.

The end of March 2015 marked the end of the previous Mid-Term Business Plan and thanks to the trust placed in us by our customers and shareholders we were able to achieve all our targets.

In both fiscal 2013 and fiscal 2014 we were able to achieve record earnings as a Group and our domestic non-life, domestic life and international businesses were all able to exceed their respective targets. This was in spite of a tough domestic market due to ongoing deflationary pressure and the recovery efforts of the Great East Japan Earthquake as well as challenging international markets caused by the monetary crisis especially within the Eurozone. As a result of this growth we were able to increase dividends for three consecutive years while also implementing a stock buyback in fiscal 2014.

In April 2015 we launched the new Mid-Term Business Plan "To Be a Good Company 2017". The phrase "To Be a Good Company" expresses our strong commitment to work to earn our customers' trust and to be there for them in their moment of need. The only thing that can make this vision a reality is our people: people who have been empowered and enabled to act for the benefit of customers and society. Looking back over the past 136 years, it was not necessarily a smooth journey of continued success. There were times when we faced crises and catastrophes but it was always the power of our people that allowed us to overcome these challenges. As we continue on with our timeless endeavor to be a "Good Company" we will build on the legacy and DNA left to us by previous generations.

At the same time, we will leverage our diverse business portfolio, expertise, sound capital bases, and other distinctive strengths such as our global brand and network, so that customers will continue to choose our services. We will also continue to enhance our management strategy based on enterprise risk management (ERM), transparent corporate governance, and diverse human resources. By further developing this value-creating business model we can increase the value that each of our organizations contributes, and provide security and safety to both customers and their communities while also realizing continuous profit growth and capital efficiency improvements.

Looking at the mid-to-long-term, we expect that our business environment will change due to various factors such as demographic shifts, technological advancements, such as autonomous vehicles and artificial intelligence, and global warming. In the new Mid-Term Business Plan, we are aiming to deliver continuous profit growth by successfully forecasting the emerging risks and evolving our business portfolio and model so that we can deliver future growth. Through these measures, we are going to make Tokio Marine a truly capable global insurance group.

In June, we announced the acquisition of HCC Insurance Holdings, a top tier U.S. specialty insurance group. This will enhance our global risk diversification, and further improve our capital efficiency and continuous profit growth. In other words, we are now able to develop a more stable business foundation for the management of the entire Group. By executing these measures and improving the integrated Group capability, we will continue on with our journey to be a "Good Company" that plays an important role for our customers and the societies we work in.

I would like to thank our shareholders and stakeholders for your continued support of Tokio Marine Group.

Tsuyoshi Nagano
President and CEO

Tokio Marine Group's Value Creation Model

To Be a "Good Company" for the Next 100 Years

Since its establishment in 1879, Tokio Marine Group has been making the most of its strengths, including the power of its people and the network it has established both inside and outside Japan, to expand its business globally. It has done this driven by a corporate strategy, corporate governance and a corporate culture with the key principles of "To Be a Good Company" at its core. Through our four business domains, we will continue to take on the challenge of being a "Good Company" trusted by society and people, delivering value to all stakeholders and supporting customers and society in times of need.

Tokio Marine Group Strengths | **Value Creation Process**

Value Creation

Domestic Non-Life Insurance Business
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Domestic Life Insurance Business
▶ Page 44

International Insurance Business
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Financial and General Businesses
▶ Page 55

Achieving sound, transparent management

Corporate Governance
▶ Page 72

Providing safety and security to customers, local communities and society worldwide through the insurance business

Producing employees and partners who support local communities and society

Creating a safe, secure and sustainable future

Continuously enhancing shareholder value

Transition of Value Creation

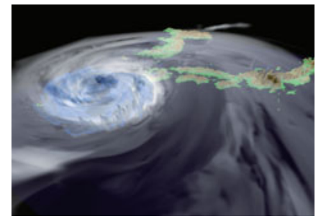
Tokio Marine Group's 136-Year History

Tokio Marine Insurance Company, which inaugurated business in 1879, has expanded its business domains from the domestic non-life insurance industry, where it is the leading company, into the life insurance and international businesses, and continues to take on the challenge of providing safety and security globally. Here, we introduce the value Tokio Marine Group has created during its 136-year history, as it symbolizes the times.

Further Value Creation

Further value creation originating from customer trust

Risk Consulting



Future climate typhoon simulation model

Businesses

Overseas expansion from the start and taking on a series of challenges including the life insurance business

Overseas Expansion from the Start

Tokio Marine Insurance Company, London Branch

1879

In the year of its inception, Tokio Marine rapidly established agencies in Shanghai, Hong Kong and Busan. In 1880, the following year, it began operations in London, Paris and New York. From the start, we have developed business with a global perspective.

Entry into the Life Insurance

Tokio Marine & Nichido Life newspaper advertisement (1996)

Products

Development of insurance that supports the growth of society and innovative products that meet the needs of the times

Marine Insurance

1879

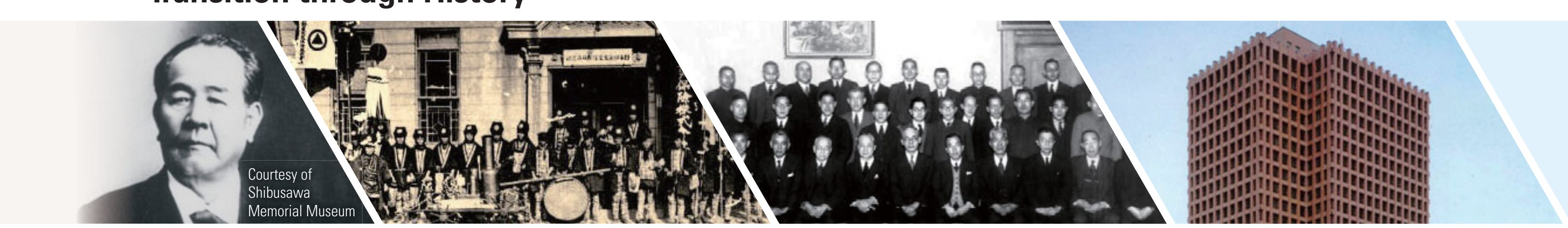
Tokio Marine Insurance Company made its start with marine insurance to support the shipping and trade industries that were essential for the development of Japan as it aimed to modernize. We contributed to the modernization of the country as Japan's first non-life insurance company.

Auto Insurance

Auto insurance badge (circa 1926)

Net Income

Transition through History



1879
Establishment of Tokio Marine Insurance Company, Japan's first insurance company, through the efforts of Eiichi Shibusawa and other founders

1898
Establishment of Tokyo Article Fire Insurance (later Nichido Fire)

1944
Merger of Tokio Marine, Meiji Fire and Mitsubishi Marine to establish the "new" Tokio Marine and Fire Insurance

1974
Completion of Tokio Marine Building; expansion of the domestic non-life insurance business in tandem with the growth of the Japanese economy

Mangrove Planting

1996

Based on Group know-how accumulated over more than a century, Tokio Marine & Nichido Risk Consulting was established in 1996. We have contributed to the development of a risk-resilient society by providing various countermeasures to risks that continue to change along with the times.

1999

Insurance for the Future of the Earth began as a commemorative project to celebrate the company's 120th anniversary. We have planted 8,994 hectares (as of March 31, 2015) in nine countries in Southeast Asia and elsewhere in partnership with tree-planting NGOs. These activities play a role in the fields of preventing global warming, conserving biodiversity and reducing disaster damage.

Business

Expansion of the International Insurance Business

1996

We entered the life insurance business by publicizing our message, "It is not right that customers need to adjust to fit their life insurance". Based on the idea of "customer orientation", we consistently work to provide products and services that are truly of use to customers.

2008

We have been aggressively expanding the international insurance business, including large-scale acquisitions of Kiln, Philadelphia and Delphi since 2008. In 2015, we reached an agreement to acquire HCC Insurance Holdings with the aim of further growth.

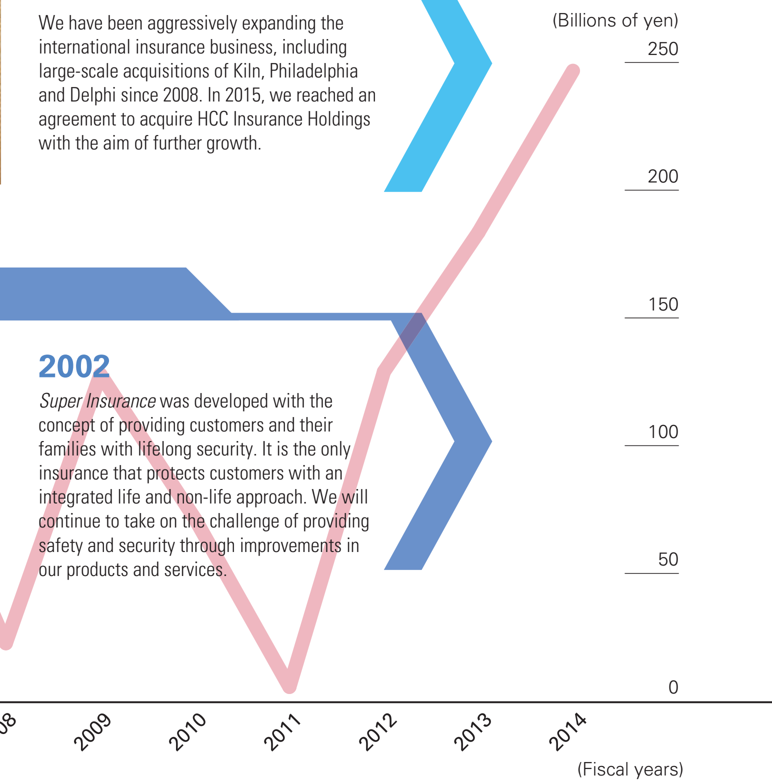
Super Insurance

1914

We launched auto insurance in 1914, when there were still only about 1,000 vehicles in Japan. We faced the anxieties and risks associated with postwar motorization, and in fiscal 2014, a century after its release, the number of domestic policies issued by the Group as a whole had grown to more than 15 million.

2002

Super Insurance was developed with the concept of providing customers and their families with lifelong security. It is the only insurance that protects customers with an integrated life and non-life approach. We will continue to take on the challenge of providing safety and security through improvements in our products and services.



TOKIO MARINE NICHIDO

Employees departing from headquarters to assist the disaster-stricken area

1996
Liberalization of insurance allows mutual entry into both life and non-life insurance through subsidiaries; establishment of Tokio Marine Life Insurance in the same year

2002
Establishment of Millea Holdings, Inc. (currently Tokio Marine Holdings), Japan's first listed holding company

2004
Merger of Tokio Marine and Fire Insurance and Nichido Fire and Marine Insurance to establish Tokio Marine & Nichido Fire Insurance Co., Ltd.

2011
The Great East Japan Earthquake occurred on March 11, 2011. All employees banded together to focus their collective experience, expertise and determination on providing assistance in the disaster-stricken area.

Value Creation Case Studies

Domestic Insurance Business

Super Insurance

Super Insurance is an all-in-one life and non-life insurance product developed and launched in 2002 with the concept of providing customers and their families with lifelong security. We deliver the unique value of Tokio Marine Group to provide customized coverage for each customer's needs.

Super Insurance with Original Features

Super Insurance, launched in 2002, was created under the customer-oriented concept of combining various types of insurance that had previously been sold separately into a single product package.

Customers and their families face various risks, including traffic accidents, fire, injury and illness, and death. *Super Insurance* considers these risks in their entirety, as customers and agents work together to assemble all-in-one life and non-life insurance while determining coverage and premiums. This enables truly *super* fitted coverage for households without omissions or overlaps. Moreover, using tablet devices and employing a format that displays the necessity of coverage as "yes" or "no" choices serve to visualize intangible insurance to raise customer interest in insurance, which they often find difficult or hard to understand. This gives customers a sense that insurance is more transparent and important.

Super Insurance is also unique in providing coverage unavailable in conventional insurance. For example, conventional earthquake insurance provides at most 50% of the limit of liability (insured amount) for the coverage. However, purchasing a policy with the unique *Super*

Overseas Insurance Business

IFFCO-TOKIO General Insurance in India

IFFCO-TOKIO General Insurance Co., Ltd. began operations in April 2001 as a joint venture with Indian Farmers Fertiliser Co-operative Limited (IFFCO), which has 38 thousand member cooperatives. As it approaches its 15th anniversary, the company operates a nationwide network of more than 520 sales branches, offices and a claims network to deliver safety and security throughout India, including its farming communities with numerous low-income earners, as a non-life insurance company that contributes to local communities.

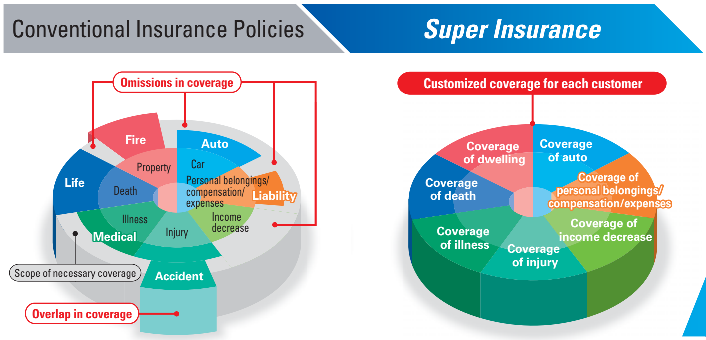
Rolling Out a Combined Model of Indian-Style Development Based on Know-How Accumulated in Japan

We are deploying an original business model utilizing the know-how we have accumulated in Japan for improvement of the insurance diffusion rate and healthy expansion of non-life insurance in India. Across a geographically vast area we are providing innovative products and services that meet customer needs. We are also promoting the expansion of a network of large-scale franchisees and the development of a network of more than 12 thousand individual agents with a focus on a global retail strategy. Measures have included sales of auto insurance in cooperation with car dealers. These measures are based on a Japanese business model and have been tailored to match the Indian sales style. In addition, to provide safety and security to more customers, we are building a diverse sales network rooted in local markets with the development of sales bases closely linked to local communities by rolling out a model unique to IFFCO-TOKIO, which is based on Tokio Marine & Nichido's agent training system. The number of in-force policies has grown to more than 5,550,000 and over 95% of the business portfolio is

Insurance rider providing additional coverage for earthquake and other types of insurance allows a maximum of 100% coverage[1,2] of damage caused by an earthquake, a volcanic eruption, or an associated tsunami.

Super Insurance also allows consultations on insurance to be unified into a single liaison point. By also giving customers a single point of contact for policy review consultations and in the event of an accident, we can provide responsive support.

1. For earthquake insurance policies with 50% (maximum) of the limit of liability (insured amount) for the coverage.
2. Specific underwriting conditions may apply to the policy.



More than 1.8 Million Household Customers

Super Insurance has undergone numerous improvements including product revisions since its launch, and currently 1.8 million household customers hold policies. In fiscal 2014, the number of new policies was 230 thousand and premiums written totaled 201.1 billion yen (managerial accounting basis), and the number of policies is steadily growing. We have received positive evaluations from customers who have purchased *Super Insurance*, with comments such as "Until now, I bought each insurance product separately so I didn't understand them at all. An all-in-one product has made it easier to understand" and "I feel secure with the maximum 100% earthquake insurance coverage". We will raise the value we create by working to further enhance the appeal of *Super Insurance*.

underwriting of non-Japanese customers from the local Indian market. Also, by working to promote the spread of microinsurance in farming communities with low-income earners, we contribute to the stability of the lives of people in farming communities and to regional development. We do this with specialized products such as weather insurance with coverage for decreases in crop yield due to inclement weather, health insurance for farmers in cooperation with the national and state governments and accident insurance as an incidental to fertilizer in cooperation with IFFCO and livestock insurance.

Taking applications for microinsurance at an "Insurance Sign-up Day" event in a farming community

Sales of Microinsurance in Farming Communities

"Insurance Sign-up Day" is a day when numerous people gather and it becomes a large, festival-like event. In areas where insurance is not widespread, encountering a disaster or accident is considered by many to be "the will of God", so we often need to explain the benefits of insurance through videos, shows and other methods. We have also introduced procedures tailored to the characteristics of farming communities, such as on-the-spot issuance of policyholder identification cards with a microchip that contains fingerprint and photographic data to identify the insured. IFFCO-TOKIO's microinsurance initiatives are becoming an indispensable arrangement for people in farming communities, with 15,640,000 policies and 2.49 billion rupees (approximately 4.83 billion yen) in premiums written in fiscal 2014.

Value Creation on Site

To Provide Safety and Security to Customers Worldwide

The "Good Company" that Tokio Marine Group aims to become is a company filled with people and organizations that are self-motivated and think and act autonomously for the benefit of customers and their local communities. It builds trust through its business activities and transforms this trust into continuous value enhancement for all stakeholders.

This section introduces our work to create value from the perspective of Group employees throughout the five stages of our value chain: product development; providing products and services; claims service; risk consulting; and the international insurance business.

By promoting diversity on a global scale that allows Group employees working in Japan and overseas to participate actively and using the value generated by that diversity as the source of the Group's competitiveness, we will continue to provide safety and security to customers worldwide.

Claims Service

Miki Onuma
Tohoku Claims Service Department
Tokio Marine & Nichido

Value Chain

Product Development
Developing products that proactively meet needs in a changing environment

Providing Products and Services
Providing the optimal insurance plan for each customer's risks

Product Development

"I Deliver Security through Life Insurance Product Development".

In developing life insurance products, it is necessary to calculate future mortality and morbidity rates and to project revenues based on various risks, which involves significant complexity when developing a new type of product that does not yet exist in the market. However, when I get positive feedback from customers and agents after a product is launched, it acts as a reward and inspires me to take on the challenge once again. The spirit of a company that has developed products that were the first in the industry has been passed on to me, and I will continue to provide safety and security by continuing to develop products that protect our customers.

Mitsuhito Osada
Corporate Planning and Management Department
Tokio Marine & Nichido Life

Providing Products and Services

"*Super Insurance* and Our Next-Generation Model Are Bridges to Relationships of Trust with Our Customers".

I use *Super Insurance* in the same spirit as our agents to make all-in-one life and non-life insurance proposals that go beyond the framework of non-life insurance. In addition, by using our company's next-generation model, I believe it is possible to understand individual risks and needs to continue to make proposals tailored to customers, and I work to do so each day.

I want as many customers as possible to support us and become fans of Tokio Marine Group. I will continue to work wholeheartedly with this sense of mission.

"I Try My Best to Understand and Act According to the Feelings of My Customers".

In claims service, when a customer has been involved in an accident, I always try to think what the customer truly needs and what we can do. When a customer is feeling insecure after an accident, I try to understand their feelings together with the agent to provide a sense of safety and security. I want my customers to feel a sense of gratitude that someone is there for them.

Risk Consulting

Kao Yamada
Property Risk Engineering Division
Tokio Marine & Nichido Risk Consulting

"I Leverage Tokio Marine Group's Strengths to Support Our Customers' Risk Management".

As risk assessment grows in importance along with the increase in natural catastrophes, I build risk models that reflect the latest knowledge, conduct appropriate risk assessment, propose measures to reduce risk, provide decision-making support and carry out other measures to improve our customers' business continuity. Climate change and major earthquakes have been concerns in recent years, and appropriate risk assessment will continue to be required in the future, so I continue to refine my risk assessment techniques and always try to provide consulting from the customer's viewpoint to deliver value that contributes to our customers' risk management.

Claims Service

Prompt and smooth accident handling services in emergencies

Risk Consulting

Providing risk consulting from all perspectives with expert know-how

International Insurance Business

Providing safety and security through a global network

Mitsuko Shiotsuki
Tokyo Shintoshin Branch
Tokio Marine & Nichido

International Insurance Business

"Credibility Is Our Currency, the Most Important Part of Communicating Is Listening".

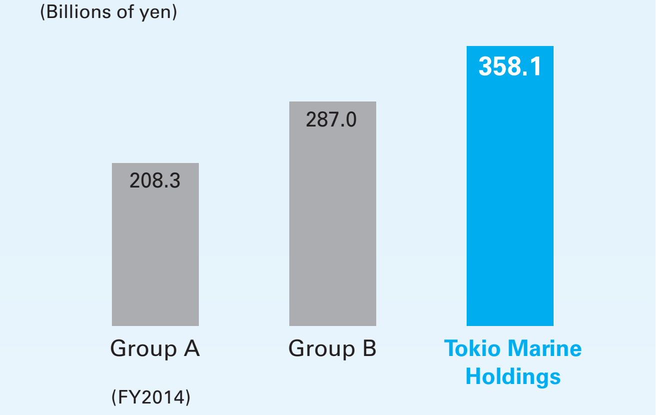
The most important part of communicating with our agency force isn't really communicating, it's listening. Given the opportunity, our agents will tell us everything we want to know about clients and their expectations. We listen for common interests we share that will help build and solidify the personal relationship among clients, agents and our company. We make clients' needs and problems our needs and problems and we own the outcome. Credibility is our currency, so we welcome any opportunity to show our value and follow through. A good rep becomes the embodiment of accountability for PHLY to each client and agency. First and foremost, though, we just show up every day…and listen!

Ian Rider
Regional Sales Manager
Philadelphia Insurance Companies

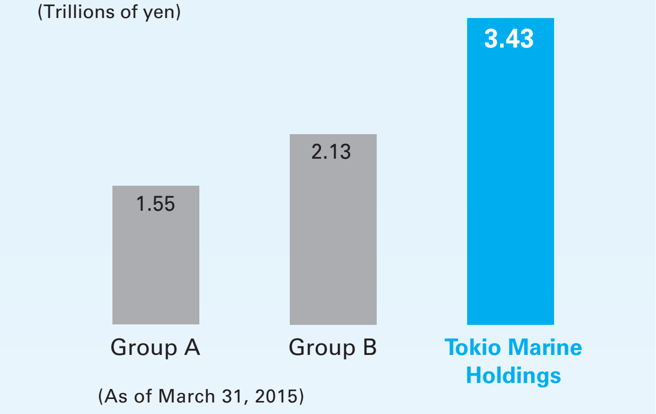
Value Creation Results

1. Position

Ordinary Profit



Market Capitalization

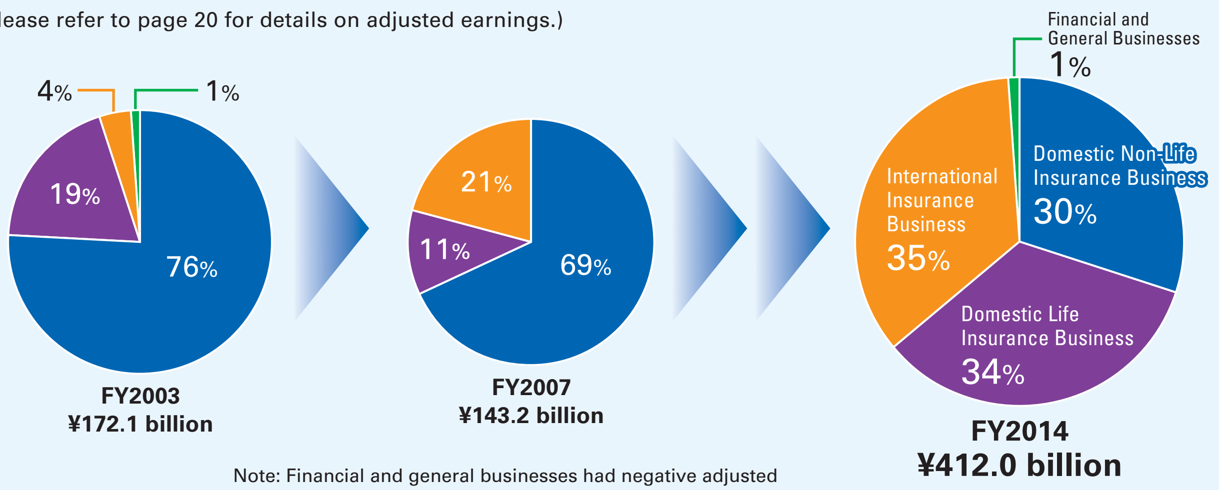


Under its previous Mid-Term Business Plan "Innovation and Execution 2014", which started in fiscal 2012, Tokio Marine Group has been working for sustained profit growth by simultaneously promoting improvement of underwriting results in the domestic non-life insurance business and growth in each business. As a result, we achieved record-high ordinary profit in fiscal 2014, the final fiscal year of the previous Mid-Term Business Plan.

We have established a presence as a driver of the domestic non-life insurance industry, recording industry-leading ordinary profit and maintaining a significantly higher market value than our peers in terms of market capitalization, which is an evaluation from capital markets.

Composition of Adjusted Earnings

(Please refer to page 20 for details on adjusted earnings.)



Note: Financial and general businesses had negative adjusted earnings of 1.0 billion yen for fiscal 2007.

With the three core business domains of domestic non-life insurance, domestic life insurance and international insurance, we have worked to build a risk diversified portfolio in terms of geography and business. In fiscal 2003, the domestic non-life insurance accounted for approximately three-quarters of adjusted earnings, but as a result of our efforts to expand profit in each business, in fiscal 2014 we significantly expanded the scale of earnings for the entire Group as we established a balanced business portfolio from the standpoint of risk diversification.

Credit Rating Information

S&P Insurer Financial Strength Ratings	
AAA	
AA+	Berkshire Hathaway
AA	Allianz Chubb Travelers
AA-	**Tokio Marine & Nichido** Aflac Zurich Prudential (U.S.A.)
A+	Mitsui Sumitomo Insurance Sompo Japan AXA
A	

Moody's Insurer Financial Strength Ratings	
Aaa	
Aa1	
Aa2	Travelers Chubb Berkshire Hathaway
Aa3	**Tokio Marine & Nichido** Zurich Allianz AXA Aflac
A1	Mitsui Sumitomo Insurance Sompo Japan Prudential (U.S.A.)
A2	

A.M. Best Best Financial Strength Ratings	
A++	**Tokio Marine & Nichido** Chubb Berkshire Hathaway Travelers
A+	Allianz Zurich Mitsui Sumitomo Insurance Sompo Japan Aflac Prudential (U.S.A.)
A	
A-	

(As of July 7, 2015)

Tokio Marine Group has been building a business portfolio that effectively diversifies risk globally using enterprise risk management (ERM). As a result, the Group has maintained a high level of soundness and has received world-class ratings from major rating organizations as evaluations of its solid business base in the domestic non-life insurance business and its steady growth in the domestic life insurance and international insurance businesses.

S&P Evaluation of Our ERM Framework

Strong

S&P evaluates the ERM framework of insurance companies as part of the process of determining credit ratings. Tokio Marine Group is the only major Japanese insurance group to receive this "Strong" rating, which is the second-highest evaluation. (As of July 7, 2015)

SRI Indexes

Tokio Marine Group has been selected for inclusion in global socially responsible investing (SRI) indexes (as of July 2015).

- Dow Jones Sustainability Indices
- FTSE4Good Index
- Euronext Vigeo World 120

Topic 1

Social Contribution through Participation in International Initiatives

Tokio Marine Group contributes to a safe, secure and sustainable future as a signatory to and a participant in the United Nations Global Compact (UNGC), the United Nations Environment Programme Finance Initiative (UNEP FI), Principles for Sustainable Insurance (PSI) and the United Nations Principles for Responsible Investment (PRI).

PRI signatory organizations Tokio Marine Asset Management and Tokio Maine & Nichido have made clear their endorsement and acceptance of "Japan's Stewardship Code", a set of principles for responsible institutional investors, and engage in constructive dialogue for the sustainable growth of investee companies.

In addition, through participation in the Disaster Risk Reduction Private Sector Partnership (DRR-PSP) of the United Nations Office for Disaster Risk Reduction (UNISDR), ClimateWise and the Geneva Association's Extreme Events and Climate Risk Working Group, Tokio Marine Group is working to resolve the issues of climate change and natural disasters and mitigate their damage.

At the Third UN World Conference on Disaster Risk Reduction held in March 2015 in Sendai, Tokio Marine & Nichido contributed to the success of the conference and a more resilient society by presenting the results of industry-academia collaborative research with Tohoku University (including the development of a stochastic risk assessment method for earthquake-induced tsunamis), promoting global sharing and dialogue regarding insurance and risk management knowledge, unveiling disaster prevention solutions, and other efforts.

Topic 2

JPX-Nikkei Index 400

The JPX-Nikkei Index 400 is composed of companies with high appeal for investors, which meet the requirement of global investment standards, such as efficient use of capital and an investor-focused management perspective. Tokio Marine Holdings has been selected for inclusion for two consecutive years since the establishment of the index in 2014.

Topic 3

Inclusion in the Competitive IT Strategy Company Stock Selection

In May 2015, Tokio Marine Holdings was selected for inclusion in the Competitive IT Strategy Company Stock Selection in recognition of its efforts to date for IT management. The Competitive IT Strategy Company Stock Selection is conducted by the Ministry of Economy, Trade and Industry (METI) jointly with the Tokyo Stock Exchange as part of METI's efforts for the promotion of strategic IT utilization in Japanese enterprises. The stock selection aims to introduce companies that conduct competitive IT strategy oriented toward profit expansion and business innovation as enterprises that are attractive to investors who prioritize investment in corporate value from a mid-to-long-term perspective. Tokio Marine Holdings is among the 18 companies selected in 2015.

攻めのIT経営銘柄
Competitive IT Strategy Company

Sophisticated Business Processes as the Source of Competitiveness through Thorough IT Use

Under its previous Mid-Term Business Plan "Innovation and Execution 2014", Tokio Marine Holdings has been working to enhance its customer contacts, raise the quality of its operations and transform work styles using IT, with the aim of "sustaining our industry-leading premium growth by strengthening customer contacts through improved utilization of our IT infrastructure".

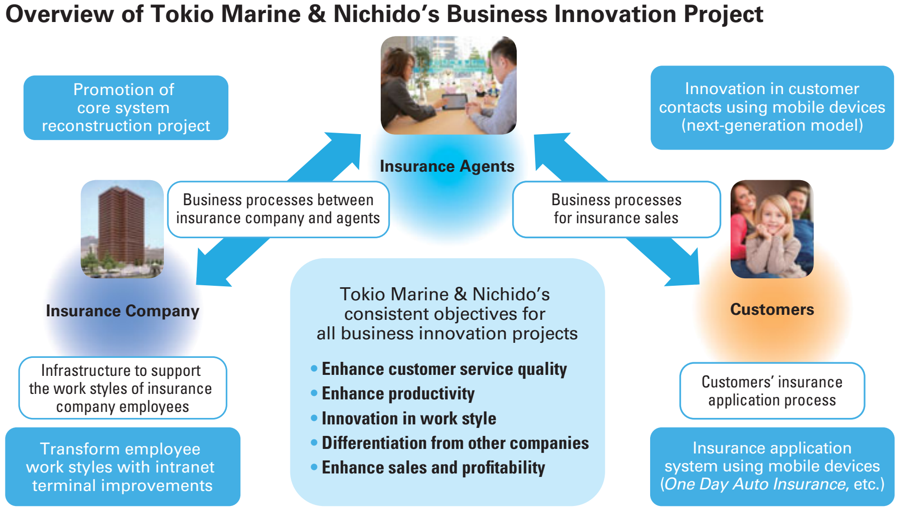
Tokio Marine & Nichido, our main company in the domestic non-life insurance business, achieved simple, smooth and speedy business processes through a core system reconstruction project to drastically reform increasingly complex products, operations and systems all at once. Moreover, a "next-generation model" project to innovate business processes between customers and agents has enabled insurance contract procedures using tablet devices, generating results such as product descriptions that are easy for customers to understand and making time for communication between customers and agents. In addition, the company started a "work style transformation" project that enables work that was previously conducted in an office to be done on a tablet device without time and space restrictions, building an infrastructure for highly productive and diverse work styles.

We will continue to promote the proactive use of IT for management innovation and enhanced competitiveness that lead to increases in corporate value.

Results of the "Next-Generation Model" Project

Paperless procedures, list of integrated enrollment status for life and non-life by household, implementation of agent operations on tablet devices, development of new communication tools

Overview of Tokio Marine & Nichido's Business Innovation Project



2. Financial and Non-Financial Highlights

	FY2005	FY2006	FY2007	FY2008
Performance Indicators				
Ordinary income	3,399,984	4,218,557	3,710,066	3,503,102
Net premiums written	1,978,664	2,148,683	2,245,135	2,134,243
Ordinary profit	136,563	168,042	179,071	(15,128)
Net income	89,960	93,014	108,766	23,141
Financial Indicators				
Net assets	3,209,849	3,410,707	2,579,339	1,639,514
Total assets	14,260,020	17,226,952	17,283,242	15,247,223
Capital ratio (%)	22.51	19.73	14.83	10.68
Return on equity: ROE (%)	3.26	2.82	3.65	1.10
Consolidated solvency margin ratio (%)	—	—	—	—
Stock-Related Information				
Net assets per share (Yen)	3,820	4,128	3,195	2,067
Net income per share – Basic (Yen)	105	112	133	29
Dividends per share (Yen)	30	36	48	48
Dividends total	25,207	29,822	38,741	38,002
Number of shares outstanding at year-end (Thousands)	1,687	824,524	804,524	804,524
Share price at year-end (Yen)	4,660	4,360	3,680	2,395
Price-to-earnings ratio: PER (Ratio)	43.98	38.89	27.56	82.22
Price-to-book value ratio: PBR (Times)	1.22	1.06	1.15	1.16
Key Performance Indicators				
Adjusted net income	—	—	—	—
Adjusted net assets	—	—	—	—
Adjusted ROE (%)	—	—	—	—
Adjusted BPS (Yen)	—	—	—	—
Adjusted EPS (Yen)	—	—	—	—
Adjusted PBR (Times)	—	—	—	—
Environmental, Social and Governance (ESG) Information				
Number of employees	19,761	23,280	24,959	28,063
Number of employees outside Japan	—	—	—	—
CO_2 emissions (Tons)	—	—	—	—
CO_2 fixation/reduction effect (Tons)	—	—	—	—

Notes:
1. Effective FY2006, the Company applied "Accounting Standard for Presentation of Net Assets in the Balance Sheet" (Accounting Standards Board of Japan ("ASBJ") Statement No. 5) and "Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet" (ASBJ Guidance No. 8) to calculate Net assets.
2. Effective FY2010, the Company applied "Accounting Standard for Earnings Per Share" (ASBJ Statement No. 2) and "Guidance on Accounting Standard for Earnings Per Share" (ASBJ Guidance No. 4) to calculate Net income per share – diluted.
3. On September 30, 2006, the Company conducted a stock split in the ratio of 500:1.
4. Net assets per share, Net income per share – basic, Dividends per share and Share price at year-end for FY2005 have been restated to reflect the stock split (500:1) conducted in September 2006.
5. Number of employees is head-count of staff currently at work.
6. Consolidated solvency margin ratio, Number of employees outside Japan, CO_2 emissions and CO_2 fixation/reduction effect are the figures compiled and announced in the respective fiscal year.
7. The Key Performance Indicators have been newly defined in the new Mid-Term Business Plan commenced in FY2015 and figures for FY2011 and thereafter have been restated. Please refer to page 20 for details on the definitions.

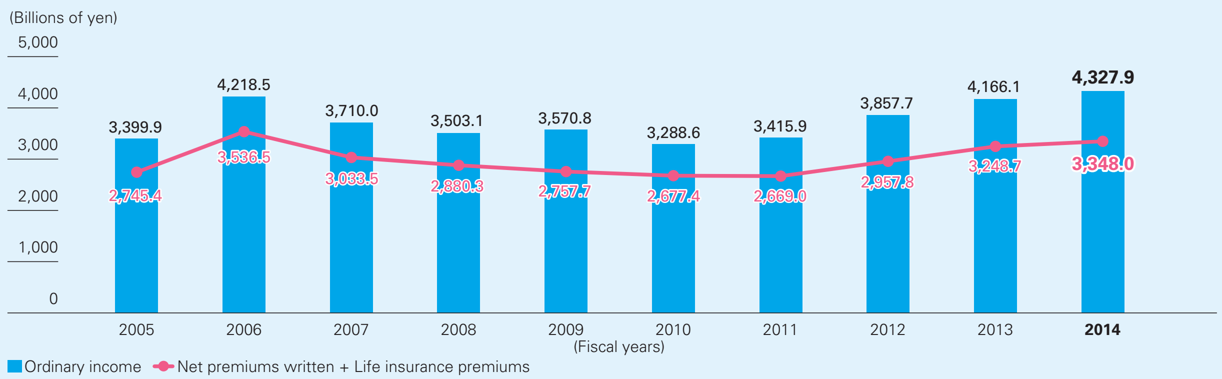
(Yen in millions unless otherwise indicated)

FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
3,570,803	3,288,605	3,415,984	3,857,769	4,166,130	**4,327,982**
2,292,911	2,272,117	2,324,492	2,558,010	2,870,714	**3,127,638**
203,413	126,587	160,324	207,457	274,386	**358,182**
128,418	71,924	6,001	129,578	184,114	**247,438**
2,184,795	1,904,477	1,857,465	2,363,183	2,739,114	**3,609,655**
17,265,868	16,528,644	16,338,460	18,029,442	18,948,000	**20,889,670**
12.56	11.41	11.26	12.98	14.32	**17.13**
6.76	3.55	0.32	6.20	7.29	**7.87**
—	—	717.8	737.0	728.4	**781.3**
2,754	2,460	2,399	3,052	3,536	**4,742**
163	92	7	168	239	**323**
50	50	50	55	70	**95**
39,380	38,597	38,346	42,187	53,705	**72,197**
804,524	804,524	804,524	769,524	769,524	**757,524**
2,633	2,224	2,271	2,650	3,098	**4,538.5**
16.15	24.05	290.41	15.69	12.91	**14.01**
0.96	0.90	0.95	0.87	0.88	**0.96**
—	—	30,798	163,137	243,756	**323,318**
—	—	2,301,621	2,746,566	3,172,530	**4,103,470**
—	—	1.3	6.5	8.2	**8.9**
—	—	3,001	3,580	4,135	**5,437**
—	—	40	212	317	**423**
—	—	0.76	0.74	0.75	**0.83**
29,578	29,758	30,831	33,006	33,310	**33,829**
—	5,565	6,207	8,687	9,102	**9,640**
85,701	73,692	75,277	93,311	87,971	**98,317**
49,561	58,000	75,925	84,360	100,951	**113,310**

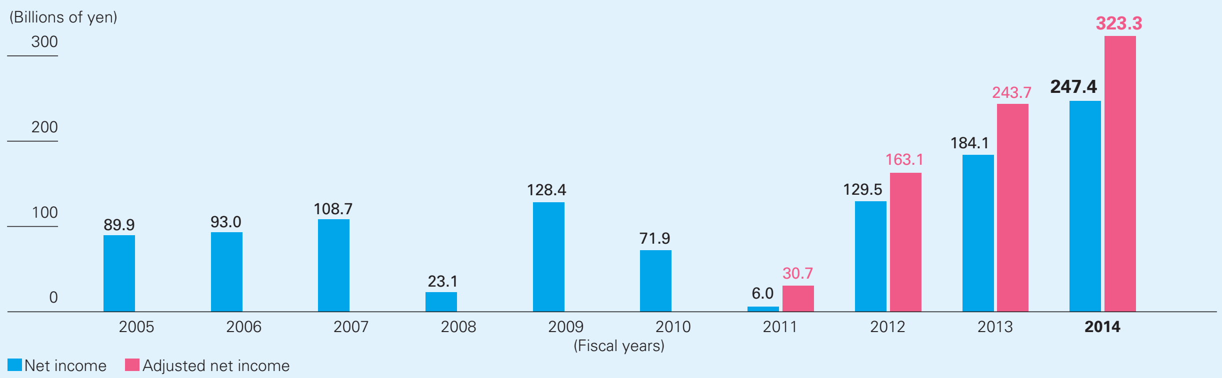
Key Indicators

Financial Information

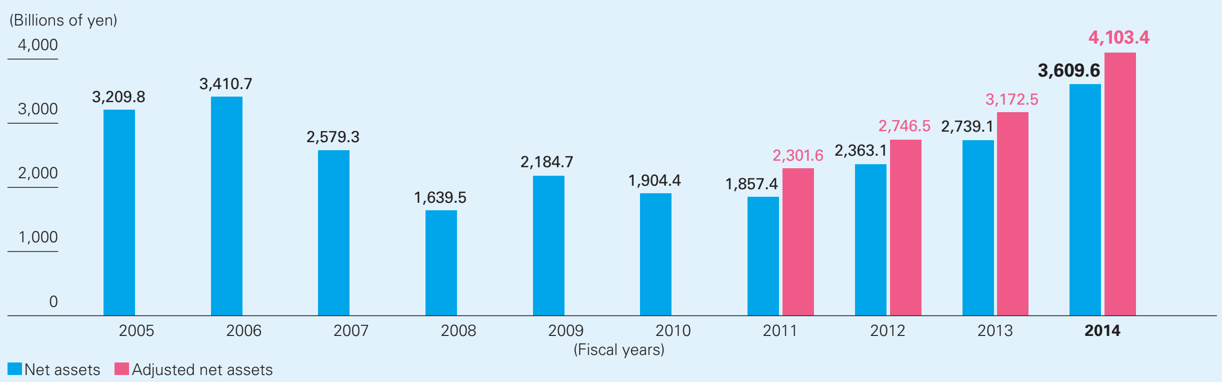
Ordinary Income/Net Premiums Written + Life Insurance Premiums



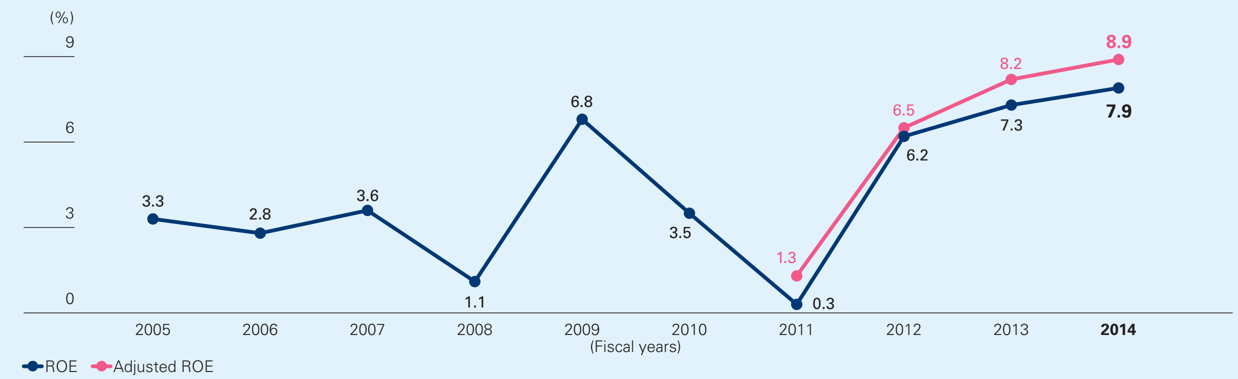
Net Income/Adjusted Net Income



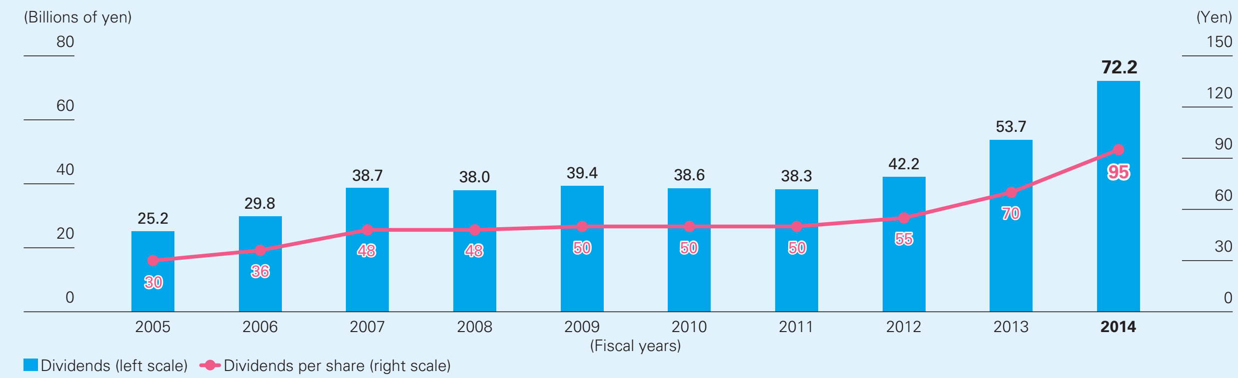
Net Assets/Adjusted Net Assets



ROE/Adjusted ROE



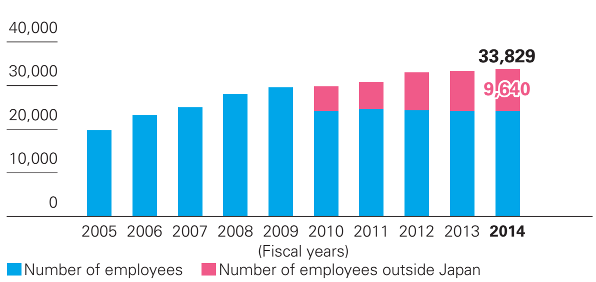
Dividends/Dividends per Share



Note: Dividends per share for FY2005 have been restated to reflect the stock split (500:1) conducted in September 2006.

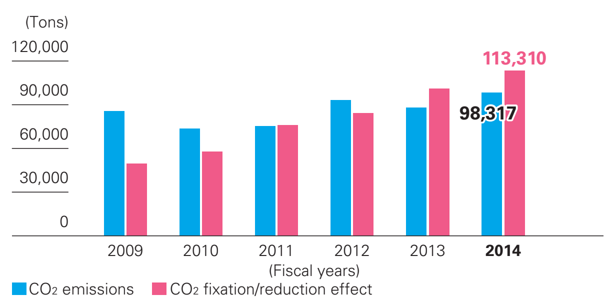
Non-Financial Information (ESG Indicators)

Number of Employees/Number of Employees outside Japan



Note: Number of employees outside Japan has been compiled since FY2010.

CO_2 Emissions and CO_2 Fixation/Reduction Effect



Note: The main reason in the increase in CO_2 emissions in FY2014 was the increase in the CO_2 emission factors of Japanese power utilities; energy consumption itself decreased in FY2014.

CO_2 Emissions from Tokio Marine Group's Business Activities and Progress in Becoming Carbon Neutral

Tokio Marine Group promotes initiatives to protect the Earth, and has achieved carbon neutral status for two consecutive years from fiscal 2013 as well as in fiscal 2011 by offsetting the CO_2 emissions from its business activities with the effect of CO_2 fixing and reduction from mangrove tree planting, use of natural energy and other measures.

Adjusted Net Income, Adjusted Net Assets and Adjusted ROE

From fiscal 2015, which is the start of the new Mid-Term Business Plan, Tokio Marine Group has set adjusted net income, adjusted net assets and adjusted ROE, as defined below, as indicators for its management plans and shareholder returns to enhance transparency and comparability as well as ensuring linkage with shareholder returns.

These are indicators that clarify profit or loss attributable to the reporting period under review, eliminating the effect of various reserves exclusive to the Japanese insurance business as well as deducting gains or losses on sale or valuation of assets that are not necessarily attributable only to the period under review.

Adjusted Net Income[1]

	Adjusted net income	¥323.3 billion
=	Net income (consolidated)[2]	¥247.4 billion
+	Provision for catastrophe loss reserves[3]	¥45.6 billion
+	Provision for contingency reserves[3]	¥5.3 billion
+	Provision for price fluctuation reserves[3]	¥2.8 billion
−	Gains or losses on sales or valuation of ALM[4] bonds and interest rate swaps	¥3.7 billion
+	Amortization of goodwill and other intangible fixed assets	¥32.5 billion
−	Gains or losses on sales or valuation of fixed assets	¥(9.3) billion
−	Other extraordinary gains/losses, valuation allowances, etc.	¥16.1 billion

Adjusted Net Assets[1]

	Adjusted net assets	¥4,103.4 billion
=	Net assets (consolidated)	¥3,578.7 billion
+	Catastrophe loss reserves	¥680.6 billion
+	Contingency reserves	¥33.5 billion
+	Price fluctuation reserves	¥57.4 billion
−	Goodwill and other intangible fixed assets	¥246.8 billion

Adjusted ROE (new definition)

	Adjusted ROE	8.9%
=	Adjusted net income	¥323.3 billion
÷	Adjusted net assets[5]	¥3,638.0 billion

Notes: 1. Each adjustment is on an after-tax basis
2. Net income is attributable to owners of the parent
3. Reversals are subtracted
4. ALM: Asset Liability Management. Excluded as counter balance items against market value fluctuations of liabilities under ALM
5. Average balance basis

Business Unit Profits

For each business domain, business unit profits are used from the perspective of accurately assessing corporate value including economic value, etc. for the purpose of long-term expansion.

Non-Life Insurance Business

Business unit profits[1] = Net income + Provision for catastrophe loss reserves[2] + Provision for price fluctuation reserves[2] − Gains or losses on sales or valuation of ALM[3] bonds and interest rate swaps − Gains or losses on sales or valuation of equity holdings and fixed assets − Other extraordinary gains/losses, valuation allowances, etc.

Life Insurance Business[4]

Business unit profits[1] = Increase in EV[5] during the current fiscal year + Capital transactions such as capital increase

Other Businesses

Net income determined in accordance with financial accounting principles

Notes: 1. Each adjustment is on an after-tax basis
2. Reversals are subtracted
3. ALM: Asset Liability Management. Excluded as counter balance items against market value fluctuations of liabilities under ALM
4. For life insurance companies in certain regions, business unit profits are calculated by using the definition in Other Businesses (head office expenses, etc. are deducted from profits)
5. EV: Embedded Value. An index that shows the net present value of profits to be gained from policies in-force is added to the net asset value. Changed from Traditional Embedded Value (TEV) to Market-Consistent Embedded Value (MCEV) effective from 2015.

Adjusted Earnings

A profit indicator used until the previous Mid-Term Business Plan that is defined the same as the new indicator business unit profits except that Traditional Embedded Value (TEV) is employed in the domestic life insurance business.

Main Differences

		New KPI from the New Mid-Term Business Plan		Former KPI
		Adjusted Net Income	Business Unit Profits	Adjusted Earnings
Domestic Non-Life	Gains or losses on sales of business-related equities	Included	Excluded	Excluded
	Provision for reserves of capital nature, etc.	Excluded	Excluded	Excluded
Domestic Life		Adjust the financial accounting basis net income	Increase in MCEV during the current fiscal year	Increase in TEV during the current fiscal year
Other	Amortization of goodwill and other intangible fixed assets	Excluded	Excluded	Excluded

Achieving sustainable growth and enhancing capital efficiency centered on enterprise risk management (ERM)

Management Strategies

President Tsuyoshi Nagano on Tokio Marine Group's Management Strategy

Under our new Mid-Term Business Plan "To Be a Good Company 2017", we will meet the expectations of our stakeholders by evolving our business structure to realize sustainable profit growth and higher ROE.

Tsuyoshi Nagano
President and CEO

Review of the Previous Mid-Term Business Plan "Innovation and Execution 2014"

We accomplished our objectives of both expanding profit and enhancing capital efficiency as adjusted earnings and adjusted ROE significantly exceeded our initial targets.

We launched our previous Mid-Term Business Plan "Innovation and Execution 2014" when the Great East Japan Earthquake was fresh in our minds and the global financial markets were experiencing instability due to the European debt crisis. Also around this time for Tokio Marine Group's businesses, profitability in auto insurance was inconsistent with a combined ratio often above 100%.

Acknowledging the surrounding environment, under the previous Mid-Term Business Plan we aimed to expand profit, mainly by improving the profitability of the domestic non-life insurance business, as well as working to enhance capital efficiency by promoting global risk diversification centered on enterprise risk management (ERM).

As a result, in fiscal 2014 we achieved adjusted earnings of 412 billion yen and adjusted ROE of 9.3%, significantly exceeding our initial targets (adjusted earnings of 230 to 260 billion yen and adjusted ROE of 7% or higher). We were also able to deliver the benefits of these achievements to our shareholders through a significant enhancement of shareholder returns, including increases in dividends for three consecutive fiscal years and share repurchases.

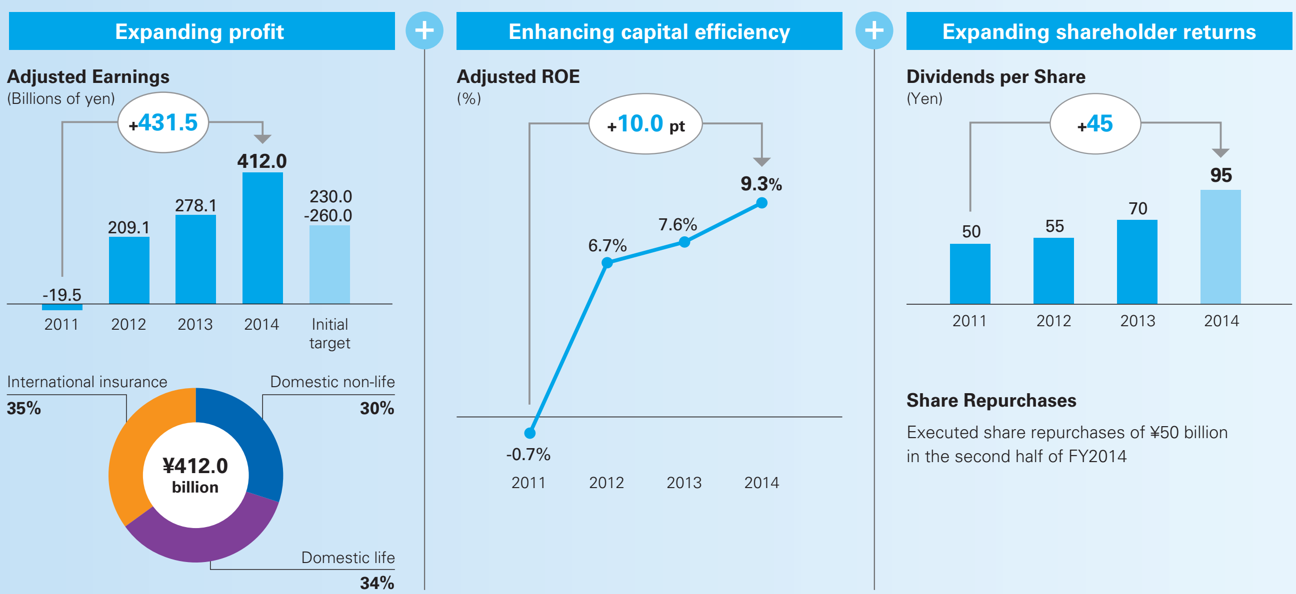
Each business significantly exceeded its quantitative targets. Improvement was seen in each of their profit indicators over time, showing that the earning power of the Group as a whole has been increasing. I realize that this was the one of the most important achievements of the previous Mid-Term Business Plan.

For example, in the domestic non-life insurance business, we worked to improve the profitability of products, mainly in auto insurance, as well as business efficiency, and continued to reduce business-related equities. At the same time, we strived for top-line growth by making maximum use of the sales capabilities generated by our Business Renovation Project. As a result, the combined ratio on a private insurance E/I basis improved substantially by 13.2 points from fiscal 2011 to 90.6%, and the top line achieved a compound annual growth rate of 4.5%, exceeding the market average.

In the domestic life insurance business, Tokio Marine & Nichido Life grew to become a mid-sized life insurance company with more than five million active policies. It achieved growth exceeding the market average by promoting integration of life and non-life sales and continuously introducing innovative products. It accomplished this while at the same time managing the risks associated with the variable annuity business of the former Tokio Marine & Nichido Financial Life, taking changes in financial markets into consideration.

In the international insurance business, we worked to strengthen governance, ERM and underwriting discipline to increase each company's organic growth and competitiveness, in addition to carrying out the acquisition and smooth post-merger integration of Delphi. As a result of these efforts, the international insurance business has become a major pillar of the Group with 1.3 trillion yen in premiums written and adjusted earnings of more than 140 billion yen.

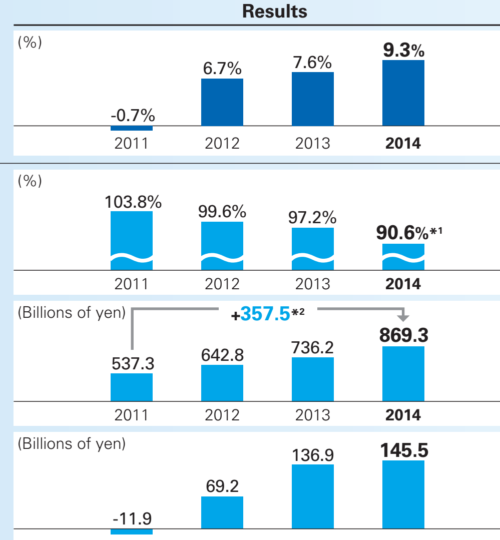
Expanding Profit and Enhancing Capital Efficiency



Quantitative Targets

Targets			Achievement
Adjusted ROE	**Exceed our cost of capital**	**≧7%**	✓
Domestic non-life	**Improve profitability mainly in auto**	**C/R 95% Industry-leading premium growth**	✓
Domestic life	**Sustainable profit growth**	**Aggregate EV increase of ¥180 billion (3 year total)**	✓
International insurance	**Sustainable profit growth**	**Adjusted earnings of ¥100 billion**	✓

Results



*1 Tokio Marine & Nichido Fire Insurance (TMNF) E/I basis C/R
*2 Excluding capital transactions

New Mid-Term Business Plan "To Be a Good Company 2017"

Shifting to a Sustainable Profit Growth Stage That Delivers Sustainable Profit Growth and Higher ROE

Looking at the business environment from a medium-to-long-term perspective, I believe the environment in which we operate will change significantly, with changes in the structure of the Japanese market due to demographic shifts, various rapid technological innovations, more frequent natural catastrophes and a trend toward global regulation, among other factors.

I think the most important aspects in considering business management in the future are refining business strategies proactively to prepare for changes in the environment and advancing our business platform to sustain continuous value creation.

The new Mid-Term Business Plan is positioned as a sustainable profit growth stage for achieving globally competitive earnings growth as well as capital efficiency and working to develop a business structure to realize sustainable profit growth and higher ROE, with the aim of becoming a company with the ability to generate double-digit ROE. We aim to be "A global insurance group that delivers sustainable growth by providing safety and security to customers worldwide: Our timeless endeavor to be a Good Company", even 100 years from now as was established in our long-term vision.

To achieve these objectives, we will focus on four initiatives in the new Mid-Term Business Plan.

The first is *unlocking our potential*. We will enhance the market and our customer base by increasing the sophistication of our integrated life and non-life business model in the domestic business and by other measures including further strengthening organic growth in the international business.

The second is *capitalizing on changes*. We will work to effectively forecast and proactively meet the emerging and evolving needs of the market and our customers while strengthening R&D to convert new risks into our business opportunities.

The third is *pursuing growth opportunities*. We will aggressively continue to promote disciplined business investment to capture growth globally while building a diversified business portfolio based on risk appetite.

In addition, we will continue to enhance our *business platform* with three focused initiatives. We will continue to refine our ERM, increase our global competitiveness by strengthening governance and establishing a global management framework, and further develop our diverse workforce.

Business Environment and Issues Acknowledged

Business environment – External –	• Changes in domestic market due to demographic changes in Japan • Changes of customer needs and risks due to various technological innovations	• Changes in global economy and financial environment • Climate change and more frequent natural disasters • Strengthening of global regulation and supervision
Business environment – Internal –	• Reached ROE level exceeding our cost of capital • Recovery of profit base in the home market • Constructed a well-balanced business portfolio which contributed to the stability and growth of profit	

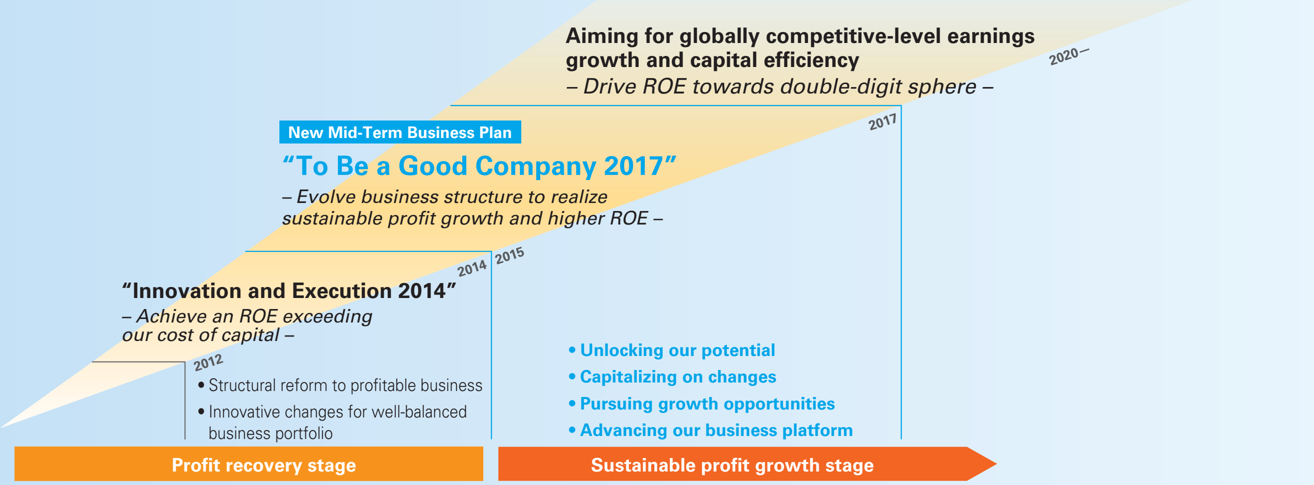
Shifting to the stage of sustainable profit growth and higher ROE while maintaining financial soundness

Refining business strategies to prepare for changing environments	**Advancing our business platform which sustains continuous value creation**

Long-term Vision and New Mid-Term Business Plan "To Be a Good Company 2017"

Long-term vision

A global insurance group that delivers sustainable growth by providing safety and security to customers worldwide
– Our timeless endeavor to be a Good Company –



Initiatives for "Sustainable Profit Growth"

Enhancement — **Unlocking our potential**
- Domestic insurance: **Enhancing the integrated business model for life and non-life, strengthening claims-service capabilities, and further utilizing our risk consulting service**
- International insurance: **Enhancing organic growth**

Evolution — **Capitalizing on changes**
- **Effectively forecasting and proactively meeting the emerging and evolving needs** of the market and our customers
- **Strengthening R&D** to convert new risks into our business opportunities

Expansion — **Pursuing growth opportunities**
- **Promoting disciplined business investment** to capture growth opportunities globally
- **Enhancing our diversified business portfolio** based on risk appetite

Excellence — **Advancing our business platform**
- **Advancing ERM and improving risk portfolio** to sustainably and comprehensively enhance profit growth, capital efficiency, and financial soundness
- **Strengthening our business platform** to further reinforce our globalized business
- **Developing a diverse workforce** with a strong customer orientation to drive sustainable growth

Objectives of the New Mid-Term Business Plan

	FY2017 Target[1]	FY2014 Results
Enhance capital efficiency	Adjusted ROE: **approx. 9%**	**7.6%** (Normalized basis[2])
Sustainable profit growth	Adjusted net income: **¥350 billion – ¥400 billion**	**¥298.1 billion** (Normalized basis[2])
Enhance shareholder returns	**Steady growth of dividends in line with profit growth** ✓ FY2015 projections: ¥105 per share (YoY +10 yen)	**Dividends per share ¥95**

Notes: 1. Based on market environment as of the end of March 2015
2. Natural catastrophes losses in adjusted net income is normalized to an average annual level. In addition, adjusted net assets is normalized based on market environment (share price, FX rate) as of the end of March 2015

These are the targets we aim to achieve by fiscal 2017 under the new Mid-Term Business Plan.

First, regarding capital efficiency, adjusted ROE on a basis that normalizes the impact of natural catastrophes was 7.6% in fiscal 2014, and we are targeting approximately 9% by fiscal 2017.

Next, regarding profits, adjusted net income on a basis that normalizes the impact of natural catastrophes was 298.1 billion yen in fiscal 2014, and we plan to increase it to a size ranging from 350.0 billion yen to 400.0 billion yen in fiscal 2017.

In addition, regarding shareholder returns, we intend to steadily increase adjusted net income, which acts as the source of dividends, to achieve steady growth of dividends in line with that increase.

New Key Performance Indicators (KPI)

Under the new Mid-Term Business Plan, we have introduced adjusted net income as a new profit indicator of total Group profits and capital efficiency (please refer to page 20 for details on adjusted net income).

Our objectives in introducing adjusted net income are to enhance transparency by increasing our alignment with net income-based financial accounting and simultaneously presenting reconciliations from financial accounting. This will enhance our comparability with other global insurance companies by more closely conforming to other market evaluation methods, and conveying that growth in adjusted net income will reliably lead to increases in shareholder returns.

In addition, adjusted earnings, which we formerly used, will continue to be used as business unit profits, with a change in the evaluation method for life insurance from traditional embedded value (TEV) to market consistent embedded value (MCEV), and employed continuously to show the corporate value and growth of each business.

Enhancing Capital Efficiency

With regard to enhancing capital efficiency, I will explain the graph based on our new indicator, adjusted ROE (please refer to page 27 for details on adjusted ROE). In order to make it easier to understand our actual current performance, adjusted ROE is shown as a bar graph, with normalized natural catastrophe losses in adjusted net income, which is the numerator, and adjustments for foreign exchange and share price as of March 31, 2015 in adjusted net assets, which is the denominator.

By looking at the track record of our adjusted ROE, it is clear that Tokio Marine Group's capital efficiency has steadily increased under the previous Mid-Term Business Plan, and we intend to further raise it under the new Mid-Term Business plan to a level of approximately 9% in fiscal 2017.

Regarding the profit portion of adjusted ROE, we will also implement initiatives for the growth of each business domain to increase organic growth and continue to consider investments in businesses that enhance corporate value in order to enhance capital efficiency.

On the other hand, for the capital portion of adjusted ROE, we will conduct disciplined capital management by reducing business-related equities under the current plan as well, continuing to sell more than 100.0 billion yen per year, and by conducting flexible share repurchases based on a comprehensive assessment of market conditions, our capital levels, business investment opportunities and other relevant factors.

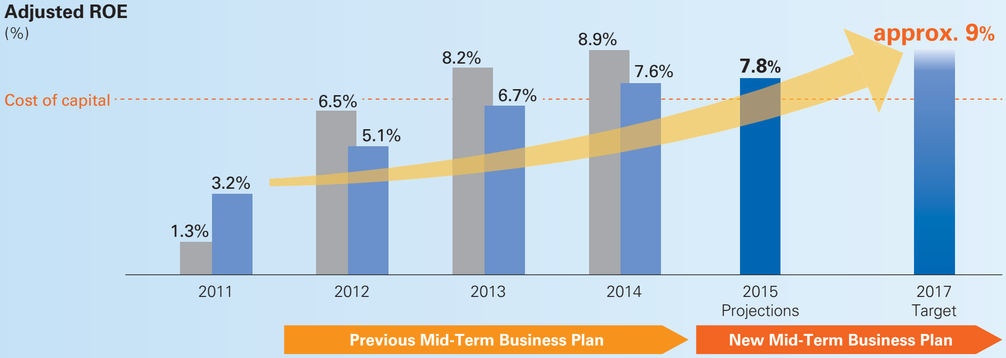
Sustainable Profit Growth

The actual figure of adjusted net income for fiscal 2014 on a basis that normalizes the impact of natural catastrophes to an average annual level was 298.1 billion yen, and we plan to expand it to a size ranging from 350.0 billion yen to 400.0 billion yen in fiscal 2017.

Regarding profit growth in each business domain, this is our plan for business unit profits for each business (please refer to sustainable profit growth and business unit profits on page 27 for details).

Enhancing Capital Efficiency (Roadmap to Achieve ROE Target)

Adjusted ROE



Normalized basis*

* Natural catastrophes losses in adjusted net income is normalized to an average annual level. In addition, adjusted net assets is normalized based on market environment (share price, FX rate) as of end of March 2015

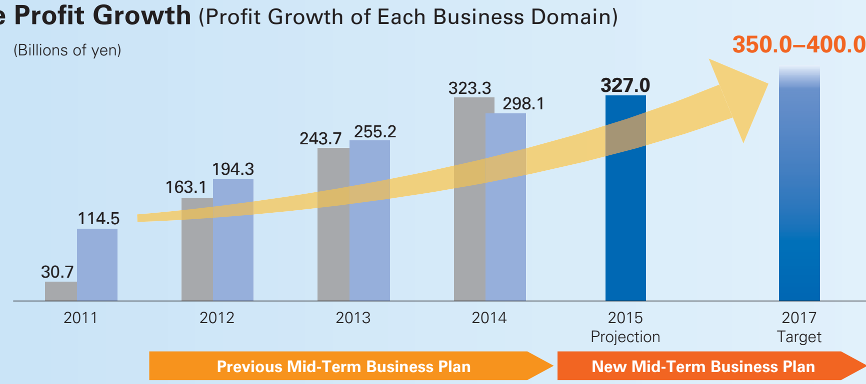
	2011	2012	2013	2014	2015
Financial accounting basis ROE	0.3%	6.2%	7.3%	7.9%	6.6%

Adjusted ROE approx. 9%

- **Sustainable profit growth**
  - **Growth of each business domain** — • Promote initiatives for sustainable profit growth
  - **M&A which enhances corporate value** — • Invest in new businesses to enhance capital efficiency
- **Disciplined capital management**
  - **Continue reducing business-related equities** — • Continue to sell more than ¥100 billion per year
  - **Flexible share repurchases** — • Conduct share repurchases in a flexible manner based on a comprehensive assessment of market conditions, our capital levels, business investment opportunities, etc

Sustainable Profit Growth (Profit Growth of Each Business Domain)

Adjusted net income



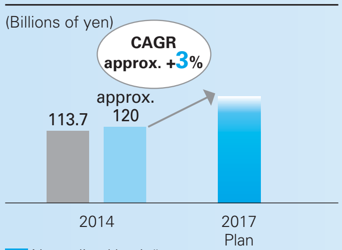
Normalized basis*

* Natural catastrophe losses is normalized to an average annual level

	2011	2012	2013	2014	2015
Net income (Financial accounting)	6.0	129.5	184.1	247.4	240.0

Business unit profits

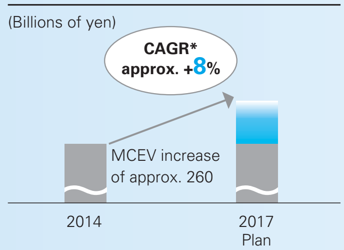
Domestic Non-Life (TMNF)



Normalized basis*

* FX effects are excluded and natural catastrophe losses is normalized to an average annual level

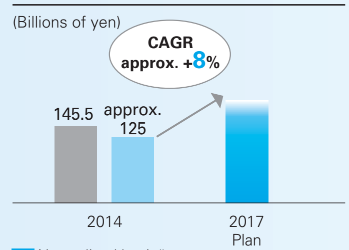
Domestic Life (TMNL)



1,037.3	Year-end MCEV	approx. 1,300.0

* CAGR of MCEV balance

International Insurance



Normalized basis*

* FX rate is as of end of March 2015, and natural catastrophe losses is normalized to an average annual level

Our domestic non-life insurance business will work for sustainable profit growth as the core business company of the Group, and aims for a compound annual growth rate of approximately 3% from 120.0 billion yen in business unit profits at the end of fiscal 2014 on which the impact of natural catastrophes is normalized to an average annual level.

The domestic life insurance business will work for a compound annual growth rate of approximately 8% while controlling risk as the growth driver of the Group, and aims for an increase of approximately 260.0 billion yen in embedded value over the three-year period of the plan.

The international insurance business will continue to pursue global growth opportunities and a geographically diversified business portfolio as the profit growth driver of the Group as a whole. The business will aim for a compound annual growth rate of approximately 8% from 125.0 billion yen in business unit profits for fiscal 2014 on which the impact of natural catastrophes is normalized to an average annual level and with foreign exchange and share price as of March 31, 2015 in adjusted net assets.

In June 2015, we announced our agreement to acquire HCC Insurance Holdings, Inc., a U.S. specialty insurance company with a highly diversified portfolio, handling over 100 classes of largely non-correlated lines of specialty insurance. We expect to complete the acquisition during October to December 2015, and will pursue smooth integration with the company and synergies with our existing businesses.

Asset Management

Regarding asset management, in order to maintain our financial soundness we aim to enhance profitability within the scope of risk tolerance while keeping in mind risk control through asset and liability management (ALM) and ensuring liquidity for future payments for claims, maturity refunds and other purposes.

In addition, we will further promote global portfolio diversification in line with the expansion of the international insurance business while further strengthening investment capability by enhancing coordination among Group companies, both in Japan and overseas.

Moreover, Tokio Marine & Nichido will continue to sell business-related equities from the perspective of enhancing capital efficiency and risk control, among other factors. Under the previous Mid-Term Business Plan, it reduced business-related equities by a total of approximately 336.0 billion yen over the three-year period, and will continue to sell more than 100.0 billion yen per year.

Shareholder Returns

Tokio Marine Group’s basic policy on shareholder returns under the new Mid-Term Business Plan, which remains unchanged, is to increase dividends, which are our primary means of shareholder returns, in line with profit growth and deliver them to our shareholders.

From the viewpoint of aiming for stable growth in dividends, we will use adjusted net income, the Group’s new profit indicator, as the source of dividends, which we plan to increase in line with profit growth, and the payout ratio as a guide is above 35% of average adjusted net income. In fiscal 2014, annual dividends per share were 95 yen, an increase of 25 yen from the previous fiscal year. In fiscal 2015, we also intend to increase dividends per share in line with profit growth, and as of the beginning of the fiscal year, we project a 10 yen per share increase to 105 yen.

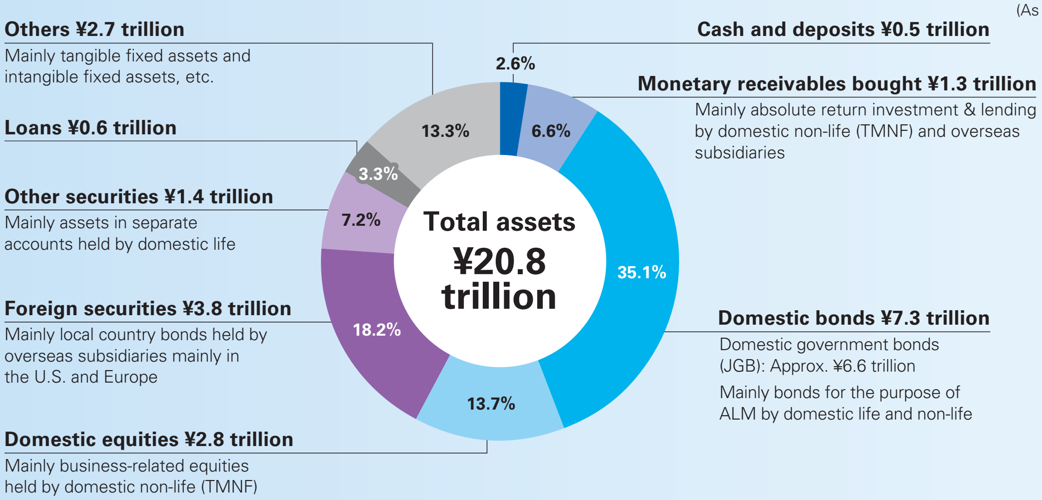
In addition, we conducted share repurchases of 50 billion yen in the second half of fiscal 2014, and we will continue to consider share repurchases as a means of adjusting capital, conducting them in a flexible manner based on a comprehensive assessment of market conditions, our capital levels, business investment opportunities and other relevant factors.

Group Asset Management Strategy

Group asset management concept	• With asset and liability management (ALM) at the core, we aim to secure sufficient liquidity and profit • Further promote global portfolio diversification, as the Group expands globally

Asset Composition of Tokio Marine Holdings (Consolidated)

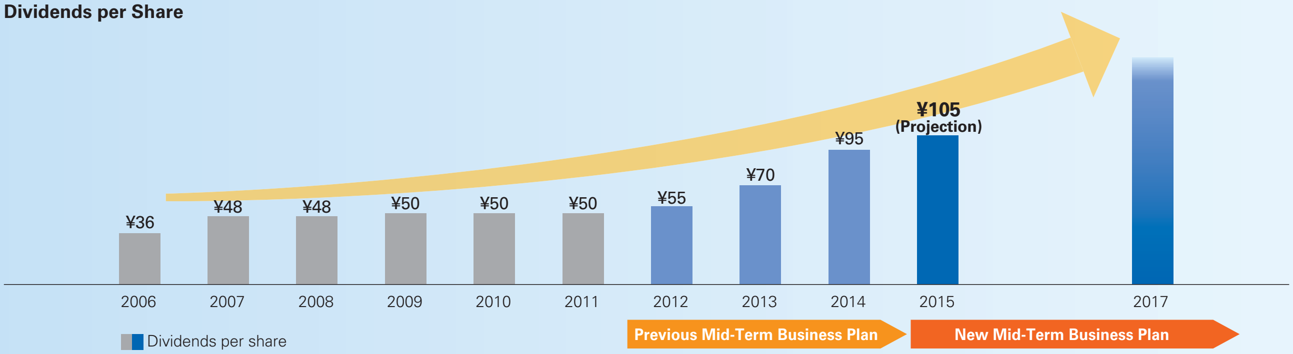
(As of end of FY2014)



Enhancing Shareholder Returns

Steady growth of dividends	• Our primary means of shareholder return is dividends, which we plan to increase in line with profit growth • We pursue steady growth of dividends, and payout ratio as a guide is above 35% of average adjusted net income* *Profit contribution from domestic life business and gains on sales of business-related equities will be newly included into the source of dividends
+ Flexible share repurchases	• We intend to conduct share repurchases in a flexible manner based on a comprehensive assessment of market conditions, our capital levels, business investment opportunities, and other relevant factors

Dividends per Share



CSR: Toward a Safe, Secure and Sustainable Future

Fostering the Practice of CSR in Our Corporate Culture by Encouraging each Employee to Proactively Participate in CSR

Our world faces a variety of issues such as frequent large-scale natural disasters, demographic shifts and poverty as well as changes in the labor market brought on by technological innovation. Tokio Marine Group, which aims to be a global insurance group that delivers sustainable growth, views continuing to meet the expectations of society by taking on the challenges posed by these environmental changes as its corporate social responsibility (CSR), and is working to help create a safe, secure and sustainable future.

For Tokio Marine Group, CSR represents a way of realizing our corporate philosophy, and working to help resolve social issues leads to the sustainable growth of the Group. Based on this idea, we have formulated the "Tokio Marine Group CSR Charter" to pursue the genuine practice of CSR in all our business activities, from products and services to respect for human rights and dignity, protection of the global environment, contribution to local communities and societies, governance and stakeholder engagement.

In the new Mid-Term Business Plan "To Be a Good Company 2017", together with the aforementioned four initiatives for sustainable growth, we have set "providing safety and security", "protecting the Earth" and "supporting people" as our core CSR themes, and we will further foster the practice of CSR in our corporate culture by encouraging each employee to proactively participate in CSR with the aim of continuing to be of service to society as we continue to grow. Moreover, as our self-motivated employees act with integrity and compassion, and as this spreads throughout the Group, we believe that it will create a virtuous cycle of developing innovative products and services, and contributing to local communities and society. With this process, we aim to become a Tokio Marine Group that is trusted by our customers, local communities, and society. We believe our efforts will become a bridge to future generations and contribute to creating a brighter future for Earth.

Tokio Marine Group's CSR Approach

Core CSR Themes of Tokio Marine Group

For those of us who handle the intangible product of insurance, our employees and the trust built between one person and another are everything. Based on our relationships of trust with our stakeholders, we will work to help resolve social issues and increase our corporate value toward a safe, secure and sustainable future.

CFO Masashi Oba on Tokio Marine Group's Capital Strategy

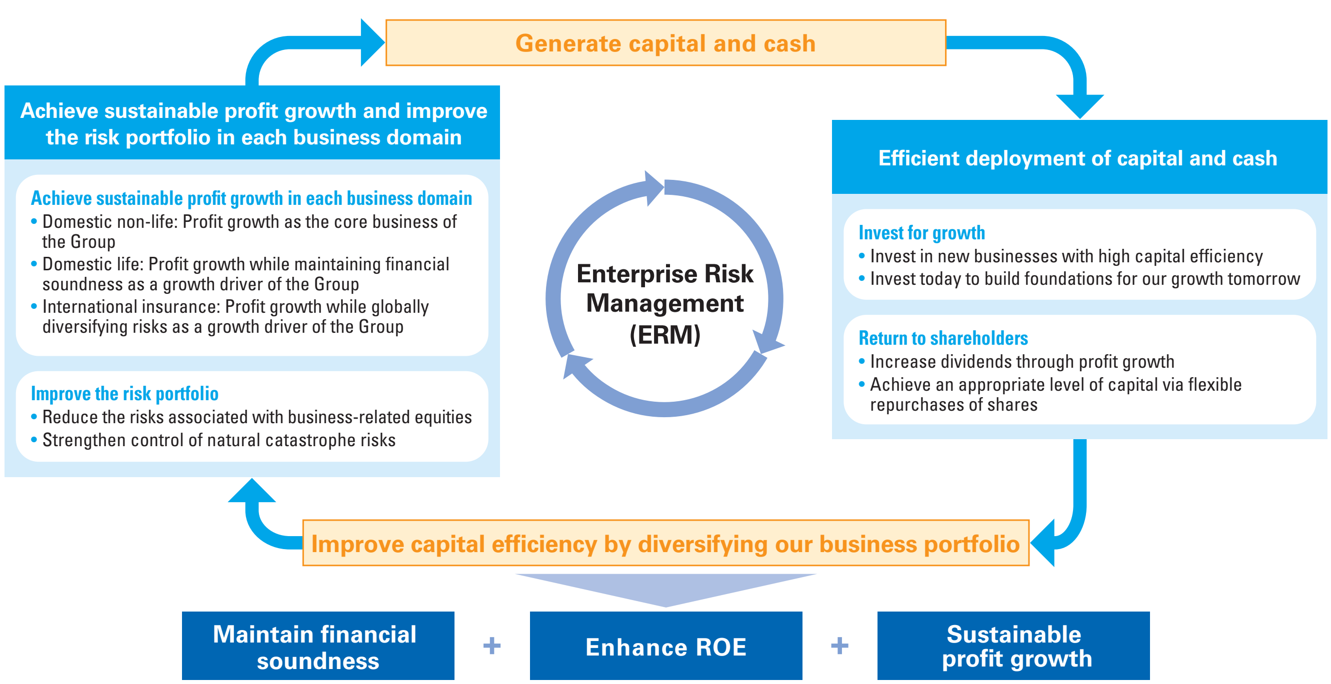
Masashi Oba
Representative Director and
Executive Vice President
Chief Financial Officer

Tokio Marine Group has established a long-term vision of being "A global insurance group that delivers sustainable growth by providing safety and security to customers worldwide: Our timeless endeavor to be a Good Company". Toward the realization of this long-term vision, our new Mid-Term Business Plan is positioned as a sustainable profit growth stage. During this stage, we will continue to secure ROE exceeding our cost of capital ratio. Also, instead of simply being satisfied with having done so, we intend to establish a foothold from which to achieve long-term growth and capital efficiency on a global level with the aim of sustainable profit growth. To underpin our management toward this objective, we will promote a more robust enterprise risk management (ERM) framework.

Enterprise risk management (ERM) is a business management method for addressing all aspects of decision-making in view of risks. In this framework, we aim to realize sustainable growth in corporate value while firmly maintaining financial soundness by making decisions in light of the sufficiency of capital and profitability relative to risk.

In the new Mid-Term Business Plan, we place ERM at the core of the Group management framework, and by using it in a more substantive manner, we aim to

Framework of the New Mid-Term Business Plan and Group Management



maintain financial soundness while at the same time taking a balanced approach to enhancing ROE and achieving sustainable profit growth.

Specifically, we aim to expand profit in each business and redeploy capital and cash generated through the reduction of business-related equities, which account for a large portion of risk capital, and from control of natural catastrophe risks, to areas where we can expect higher diversification effects and profitability, as well as to shareholder returns. In this way, we strive to enhance the capital efficiency of the Group as a whole while ensuring financial soundness. Through this cycle, the Group aims to increase adjusted ROE to the target level identified in the new Mid-Term Business Plan.

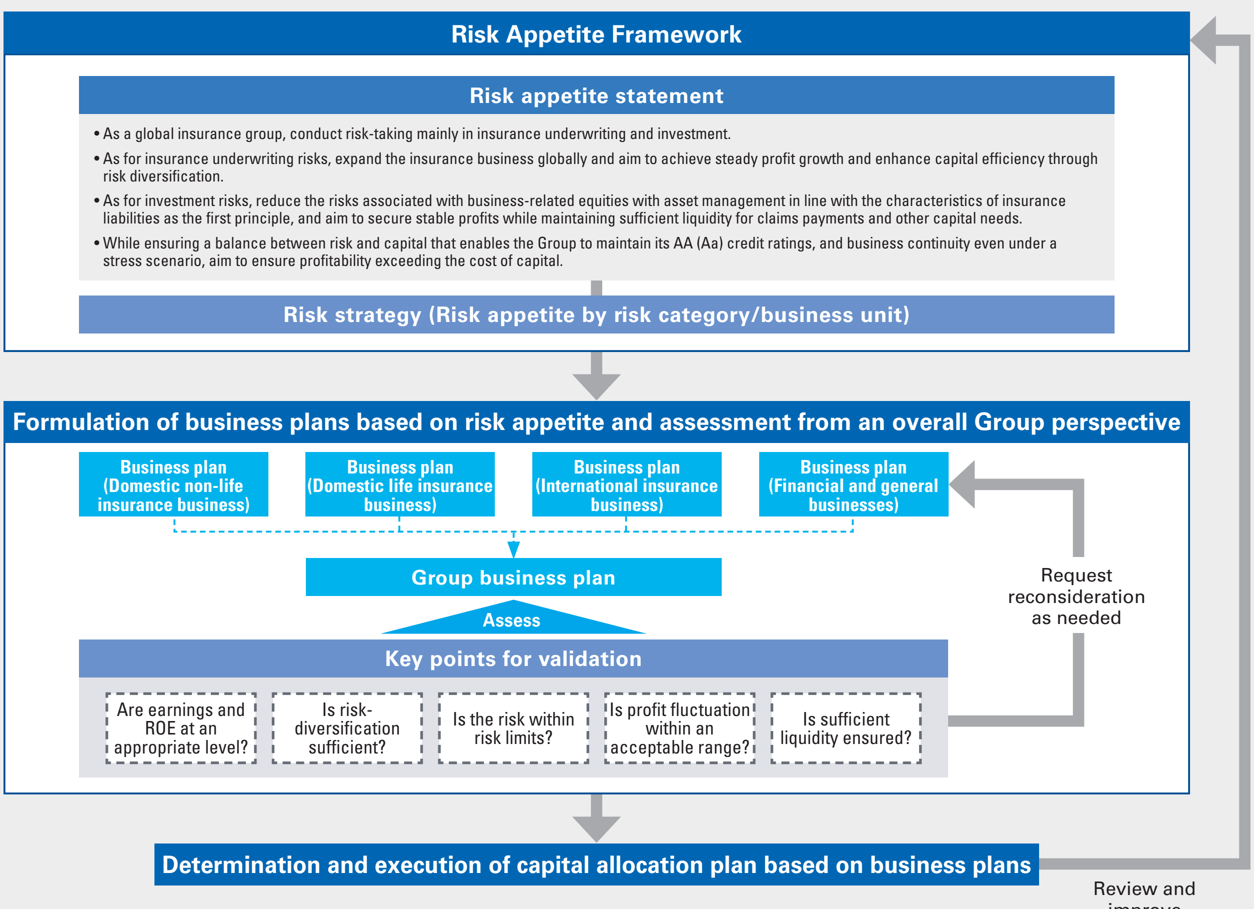
Enterprise Risk Management Cycle

Tokio Marine Group has set a risk appetite framework that articulates a basic policy for relevant risk taking and management to ensure expected returns. This framework is the starting point for formulating business plans and allocating capital. We call this flow the Enterprise Risk Management (ERM) Cycle. This process helps to allocate capital effectively and efficiently with the objective of maintaining financial soundness together with sustained expansion of profits and enhancement of capital efficiency.

For the first step of the ERM Cycle, each Group company formulates its business plans based on the risk appetite framework.

Tokio Marine Holdings then gathers these business plans and takes an overall Group perspective in assessing whether they maintain an appropriate balance between financial soundness and profitability while achieving sustained growth. Specifically, issues assessed include whether natural catastrophe risks are within the tolerable risk parameters, and whether the Group's overall profit and ROE are at the expected level, among others. After scrutiny of risk profiles and business plans, we then

Tokio Marine Group's Enterprise Risk Management (ERM) Cycle Overview



make decisions with regard to allocation of capital to each business segment.

Finally, the results of Group companies are reviewed annually and improvements are made if necessary.

Initiatives to Enhance Profitability

Under its new Mid-Term Business Plan, Tokio Marine Group intends to improve the combined ratio in the Group's core domestic non-life insurance business while concurrently working for profit growth in the domestic life and international insurance businesses.

In addition, we intend to enhance capital efficiency and the stability of profits through certain measures including reducing the risks associated with business-related equities, strengthening natural catastrophe risk management and diversifying our businesses.

We will continue our initiatives to support further improvement of overall Group profitability by expanding our business globally, which will enhance risk diversification effects, and by achieving profit growth in every business segment.

From the perspective of capital management, we will work to enhance corporate value by increasing capital efficiency while securing financial soundness through strict and disciplined capital management.

At present, we consider an appropriate target level for our economic solvency ratio to be approximately 130%. This is based on our calculation of the capital level that will enable us to maintain AA (Aa) credit ratings withstanding once-in-a decade risk events and will allow business continuity under the stress scenario. We will work to enhance capital efficiency by utilizing a capital buffer to invest in businesses for growth and additional risk-taking, repurchase shares and prepare for regulatory changes and other significant changes in the business environment.

Promoting Strong ERM (Disciplined Capital Management)

Maintain financial soundness

Balance capital and risk to maintain AA credit ratings

- Advance natural catastrophe risk management
- Ensure our financial base can withstand catastrophic risks

×

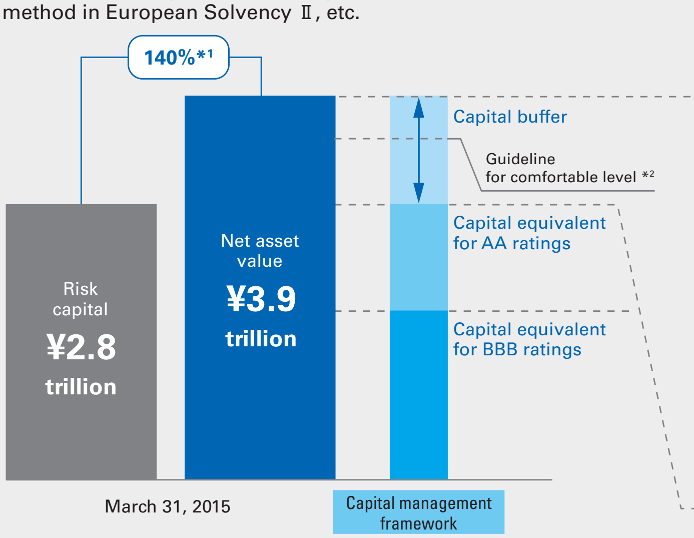
Enhance profitability

Sustainable profit growth and enhance capital efficiency

- Invest in businesses which enhance capital efficiency
- Improve the profitability of existing businesses
- Continue to sell business-related equities

Economic Solvency Ratio (ESR)

While maintaining AA credit rating standard (99.95% VaR), we sophisticated and advanced our capital model referring to the method in European Solvency Ⅱ, etc.



Utilization of capital buffer

- Invest in businesses for growth and additional risk-taking
- Share repurchases
- Prepare for regulation changes and significant changes in business environment

Guideline for comfortable level of capital buffer*2

- Capital level which can maintain AA credit ratings withstanding once-in-a-decade risks
- Capital level which allows business continuity under the stress scenario

*1 ESR (99.5% VaR): 171%
*2 Guideline for comfortable level is approx. 130% at present
Note: Conditions prior to June 10, 2015 (announcement of acquisition of HCC Insurance Holdings, Inc.)

CRO Takayuki Yuasa on Tokio Marine Group's Risk Management

Takayuki Yuasa
Managing Director
Chief Risk Officer

Initiatives to Maintain Financial Soundness

Aiming to maintain its solid credit ratings, Tokio Marine Group confirms that it is maintaining financial soundness by verifying from various perspectives that its net asset value is at a sufficient level for the risks it has assumed.

Specifically, Tokio Marine Group uses a statistical risk indicator called "value at risk" (VaR) to quantify all potential financial losses and confirms that its net asset value is at a sufficient level for the total amount of the risks it has assumed. In addition, we perform stress tests using scenarios with low frequency but high severity in risk such as major natural catastrophes and turmoil in the financial systems, which could have significant impact when they occur.

At the start of the new Mid-Term Business Plan, we made revisions to our required capital model such as measuring the loss-absorbing effect of tax effect accounting, appropriately considering capital transferability and fungibility, advancing the investment risk measurement method, and introducing market consistent embedded value (MCEV). Under the new required capital model, our economic solvency ratio (ESR) as of March 31, 2015 was 140%, indicating that once again we secured sufficient net asset value required for AA (Aa) ratings.

Initiatives to Strengthen the Enterprise Risk Management System

As the risks it assumes become more diversified, Tokio Marine Group strives to further refine its enterprise risk management (ERM) system. Moreover, in the recent business environment characterized by a sense of uncertainty and drastic change, we must continually prepare for the emergence of new risk elements associated with the businesses we are in.

From this perspective, Tokio Marine Group is strengthening its ERM system. Specifically, Tokio Marine Group is taking proactive steps to comprehensively assess every kind of risk, including emerging risks that result from environmental changes on a global scale and other factors, and is strengthening the framework for an integrated management of risks involving not only quantitative elements such as economic loss and frequency, but also qualitative elements such as business continuity and reputation.

Tokio Marine Group continues to strive for more accurate risk capital assessment by advancing the assessment method for natural catastrophe risk and investment risk, which represent major risks for the Group.

Providing safety and security to customers worldwide

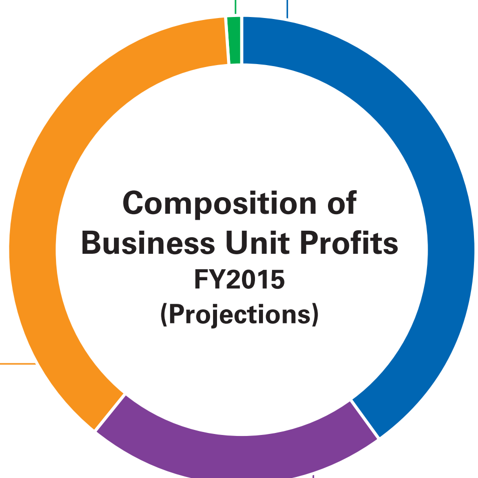
Operations Section

Tokio Marine Group at a Glance

Tokio Marine Group consists of Tokio Marine Holdings and 179 subsidiaries and 26 affiliates located worldwide, operating extensively in the non-life insurance business, life insurance business, and financial and general businesses.

Financial and General Businesses
1%
¥4.0 billion

Domestic Non-Life Insurance Business
40%
¥134.0 billion



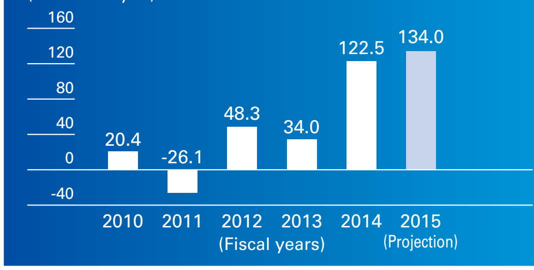
International Insurance Business
38%
¥127.0 billion

Domestic Life Insurance Business
21%
¥69.0 billion

Domestic Non-Life Insurance Business

Business Unit Profits

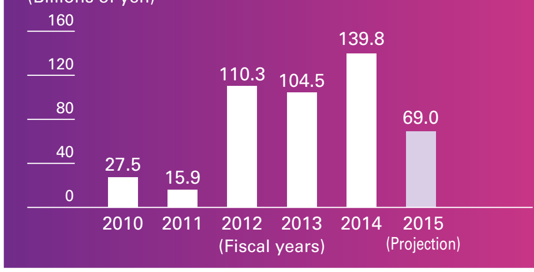
(Billions of yen)



Domestic Life Insurance Business

Business Unit Profits*

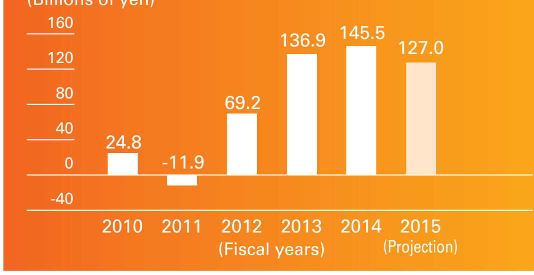
(Billions of yen)



International Insurance Business

Business Unit Profits

(Billions of yen)



Financial and General Businesses

Each business entity will enhance its specialized capabilities and strengthen functional collaboration with other Group companies to further raise the comprehensive strengths of the Group.

Tokio Marine & Nichido Fire Insurance Co., Ltd.

Total assets	¥9,078.0 billion
Number of employees	17,125

(As of March 31, 2015)

Nisshin Fire & Marine Insurance Co., Ltd.

Total assets	¥431.9 billion
Number of employees	2,392

(As of March 31, 2015)

E. design Insurance Co., Ltd.

Tokio Marine Millea SAST Insurance Co., Ltd.

Tokio Marine West SAST Insurance Co., Ltd.

CSR Activities

- Disaster and loss prevention awareness activities including "Disaster Prevention Lessons" at schools
- Support for the recovery of disaster-affected areas
- Industry-academia collaborative research
- Initiatives for reducing environmental footprint and achieving carbon neutral status
- Mangrove planting and domestic environmental protection activities through the "Green Gift" Project

Tokio Marine & Nichido Life Insurance Co., Ltd.

Insurance premiums and other	¥776.6 billion
Total assets	¥7,017.3 billion
Number of employees	2,524

(As of March 31, 2015)

* Adjusted earnings (traditional embedded value basis) for figures to fiscal 2014 and business unit profits (market consistent embedded value basis) for fiscal 2015 (Projection).

and one other

CSR Activities

- Activities to protect customers from cancer
- The Pink Ribbon Movement: spreading awareness of breast cancer detection through on-the-street campaigns
- Support for cancer patients undergoing chemotherapy by making and donating terry cloth caps
- Courses to foster support for dementia care

Philadelphia Consolidated Holding Corp.

Total assets	US$8,946 million
Number of employees	1,693

(Total assets as of December 31, 2014, local financial accounting basis; number of employees as of March 31, 2015)

Tokio Marine Kiln Group Limited

Total assets	£1,315 million
Number of employees	396

(Total assets as of December 31, 2014, managerial accounting basis; number of employees as of March 31, 2015)

Delphi Financial Group, Inc.

Total assets	US$14,289 million
Number of employees	2,235

(Total assets as of December 31, 2014, local financial accounting basis; number of employees as of March 31, 2015)

Tokio Millennium Re AG

Total assets	US$3,350 million
Number of employees	108

(Total assets as of December 31, 2014, local financial accounting basis; number of employees as of March 31, 2015)

Tokio Marine North America, Inc.

Tokio Marine Asia Pte. Ltd. and others

CSR Activities

- PHLY 80K Trees: partnership with the Arbor Day Foundation to plant 80,000 trees to reduce the risk and damage caused by disasters
- Providing cultural education activities and a job training program for children in Philadelphia
- Support for interns from the City of London Business Traineeship Programme
- Contributing to local communities by holding sports events

Financial Business

Tokio Marine Asset Management Co., Ltd.
Investment advisory and investment trust services

Tokio Marine Property Investment Management, Inc.
Real estate investment advisory 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

Tokio Marine Nichido Samuel Co., Ltd.

Tokio Marine Nichido Better Life Service Co., Ltd.
Senior citizen-related services

Tokio Marine Assistance Co., Ltd.
Assistance services

Tokio Marine & Nichido Anshin Consulting Co., Ltd.
Insurance agent services

and others

CSR Activities

- Initiatives for sustainable investment
- Promotion of the employment of the challenged
- Promotion of usage of recycled parts for 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

Business Overview and Strengths

We operate a solid franchise and strong brand 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 and Tokio Marine West SAST Insurance, and provide products and services that meet our customers' needs from our extensive product lineup and diverse services.

Value Created in Fiscal 2014 (Achievements)

- Tokio Marine & Nichido's combined ratio (private insurance total; E/I basis) was 90.6%, a substantial improvement of 6.6 points from the previous fiscal year, due to factors including a decrease in natural catastrophe losses and profitability improvement in auto insurance.
- Tokio Marine & Nichido's net premiums written increased in all lines of insurance to hit a new record high of 2,036.7 billion yen (all lines total), an increase of 3.6% from the previous fiscal year.
- Adjusted earnings for the domestic non-life insurance business were 122.5 billion yen, a substantial increase of 88.5 billion yen from the previous fiscal year.

Market Environment (Opportunities and Risks)

(Data are totals for the member companies of the General Insurance Association of Japan.)

Opportunities In fiscal 2014, total net premiums written for all lines of insurance increased by 4% compared with fiscal 2013 to 8,083.1 billion yen due to revenue growth in auto and fire insurance. Total net claims paid for all lines increased by 1% compared with fiscal 2013 to 4,605.4 billion yen due to claims payments related to snowstorms that occurred in fiscal 2013, among other factors. However, the loss ratio improved by 1.8 points compared with fiscal 2013 to 62.3% due to the increase in net premiums written.

As a result, underwriting profit was 143.3 billion yen, the first profit in five years.

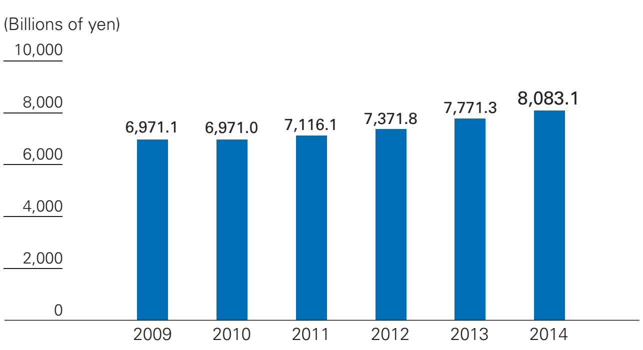
As for the Japanese economy in fiscal 2015, the recovery trend in domestic demand is expected to continue due to the fading impact of the consumption tax hike, the improving environment for household income and improvement in corporate results. In the domestic non-life insurance market, moderate market expansion is expected to continue due to the continuation of the economy's recovery track.

Risks The business environment of the domestic non-life insurance market is expected to change substantially and dynamically due to factors including a changing market structure associated with demographic shifts, climate change and an increase in natural catastrophes, and trends in international supervisory regulations.

In addition, customer needs and the roles expected of insurance companies may change materially due to technological innovations.

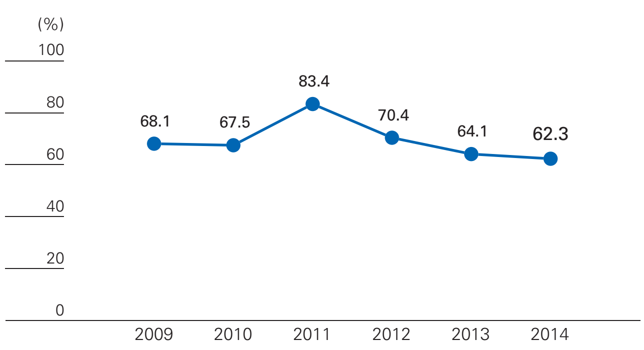
We view these changes in the business environment as opportunities, and are working on various strategies under the new Mid-Term Business Plan.

Net Premiums Written



Source: The General Insurance Association of Japan

Loss Ratio



Source: The General Insurance Association of Japan

Financial Highlights

Business Unit Profits

(Billions of yen)

	FY2012	FY2013	FY2014	FY2015 Projections
Domestic Non-Life Insurance Business Total	48.3	34.0	122.5	134.0
Tokio Marine & Nichido	54.6	35.0	113.7	130.0
Nisshin Fire	(0.9)	2.7	12.2	6.0
Others	(5.4)	(3.7)	(3.4)	(2.0)

Group Company Positioning and Overview

(From left)

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

Kenji Iwasaki
Senior Managing Director
Tokio Marine & Nichido Fire Insurance Co., Ltd.

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

Tokio Marine & Nichido

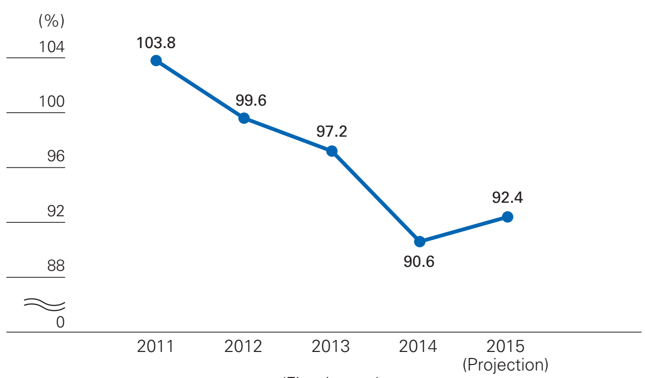
Review of the Previous Mid-Term Business Plan

Under the previous Mid-Term Business Plan, Tokio Marine & Nichido worked to improve profitability with a focus on auto insurance and to strengthen customer contacts for the purpose of ensuring a stable combined ratio of 95% and industry leading top-line growth.

As for initiatives for profitability improvement, we conducted measures including business expense reductions through operational efficiency in addition to product and rate revisions, mainly in auto insurance. As a result, we achieved an E/I combined ratio on a private insurance basis of 90.6% in fiscal 2014, a substantial improvement of 13.2 points from 103.8% in fiscal 2011.

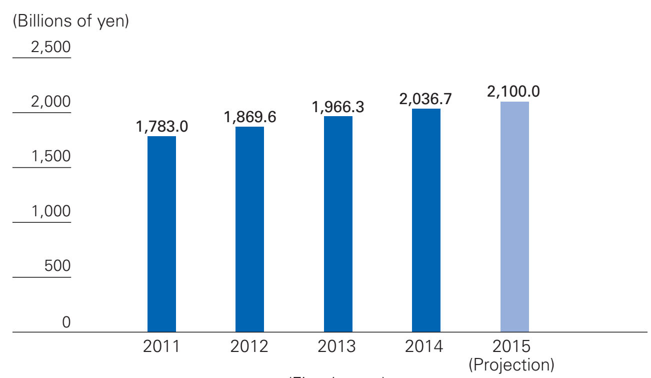
Concerning net premiums written, through initiatives to improve convenience for customers by offering competitive products and services as well as to strengthen customer contacts by expanding sales channels and other means, Tokio Marine & Nichido achieved industry-leading premium growth, with a compound annual growth rate of 4.5% over the three-year period.

Net E/I Combined Ratio*



* E/I loss ratio + W/P expense ratio
Note: W/P = Written paid basis; E/I= Earned incurred basis

Tokio Marine & Nichido: Net Premiums Written



Financial Highlights

(Billions of yen)

		FY2013	FY2014	Year-on-Year Change	Year-on-Year Change (%)	FY2015 Projections	Year-on-Year Change	Year-on-Year Change (%)
All Lines Total	Net premiums written	1,966.3	2,036.7	70.4	3.6%	2,100.0	63.2	3.1%
	Underwriting profit	(13.2)	59.9	73.1	—	58.0	(1.9)	(3.2%)
	Net investment income	165.2	218.8	53.6	32.5%	215.1	(3.7)	(1.6%)
	Ordinary profit	146.5	264.0	117.5	80.2%	254.0	(10.0)	(3.8%)
	Net income	90.8	185.3	94.4	104.0%	197.0	11.6	6.3%
	Business unit profits	35.0	113.7	78.7	224.4%	130.0	16.3	14.3%

(%)

Private Insurance Total	E/I loss ratio	65.0	58.5	(6.6)	—	59.5	1.1	—
	Expense ratio	32.2	32.2	(0.0)	—	32.8	0.6	—
	E/I combined ratio	97.2	90.6	(6.6)	—	92.4	1.7	—

The New Mid-Term Business Plan

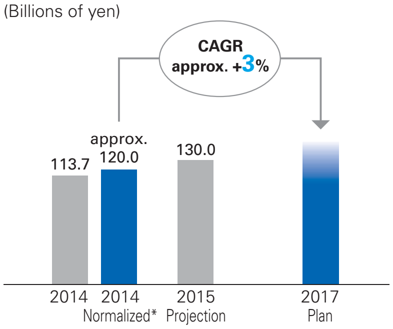
Aiming for Sustainable Profit Growth as the Core Business Company of the Group

As the Group as a whole shifts from a “profit recovery stage” to a “sustainable profit growth stage”, Tokio Marine & Nichido will strive for “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) under the new Mid-Term Business Plan.

Through these measures, we aim to achieve a combined ratio at a level of approximately 92% to 93% in fiscal 2017, even taking the impact of the consumption tax hike into consideration. For business unit profits, we target a compound annual growth rate of approximately 3% compared with normalized fiscal 2014 figures, as well as a compound annual growth rate of approximately 2% for net premiums written.

Business Unit Profits

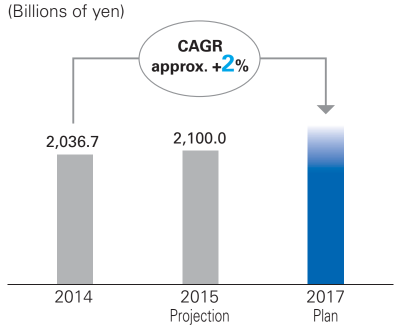
(Billions of yen)



* Effect of FX rate is excluded and natural catastrophes losses is normalized to an average annual level

Net Premiums Written

(Billions of yen)



Key Strategies

- Enhancement **(Establish a solid business platform)**
- Proactive measures **(Strengthen R&D to meet future changes)**
- Continuous enhancement of profit growth **(Strengthen underwriting discipline and pursue business efficiency)**

Continuous Enhancement of Profit Growth

FY2014 results

Combined ratio 90.6%

Combined ratio after normalizing natural catastrophes to average annual basis ⇒ 91.4%

Changes in business environment

Increase in unit-repair cost

+

Consumption tax hike in FY2017, etc.

Investment for future growth

Strengthening R&D for future growth, etc.

+

Strengthening business platform

Initiatives for improvement

Strengthening underwriting discipline

- Product and rate revisions in fire, etc.
- Measures to improve underwriting results

+

Controlling business expenses

- Reduction of IT and administrative costs

Plan for FY2017

Approx. 92-93%

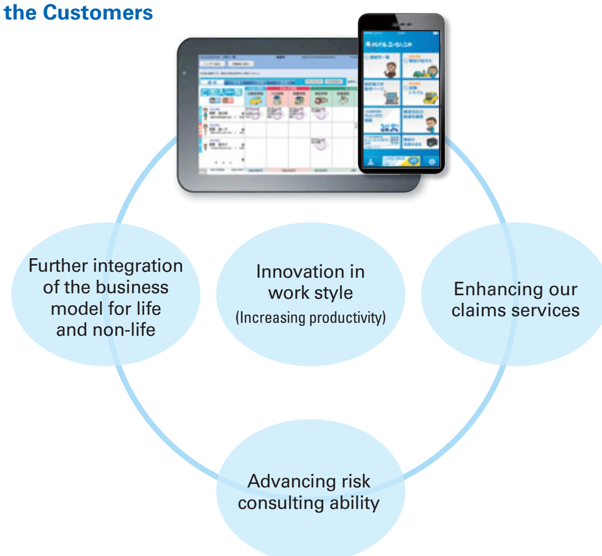
Measures to Achieve Sustainable Growth

Under the new Mid-Term Business Plan, we will 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".

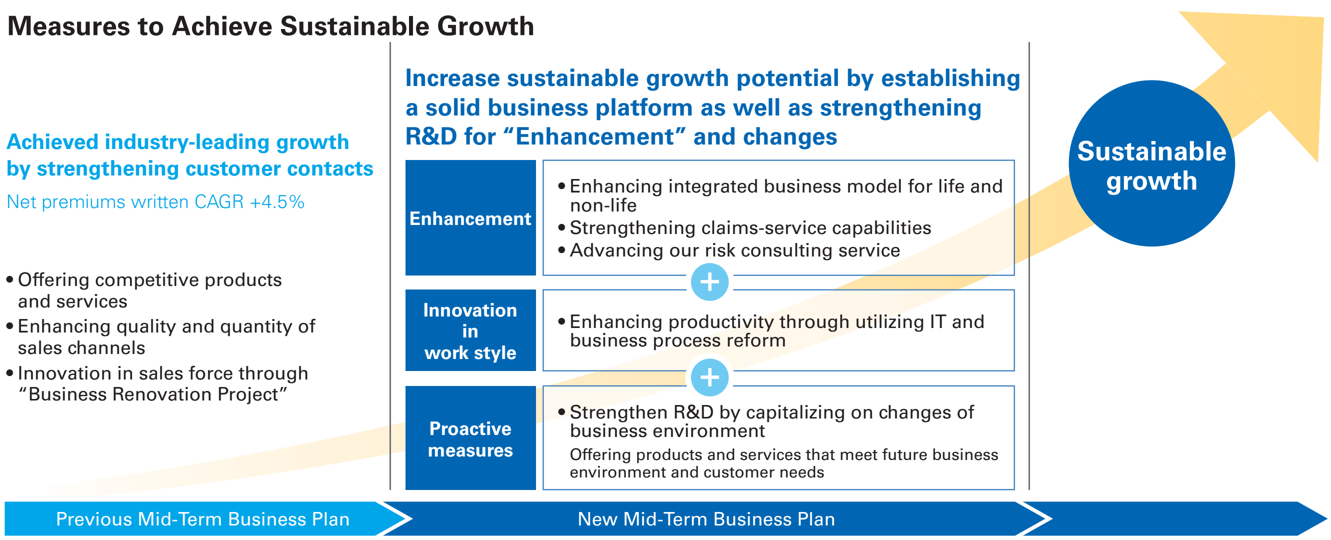
"Enhancement" of our customer base means that we will significantly enhance the value we deliver to customers through every opportunity, from proposals that integrate life and non-life insurance to claims-service for accidents and other areas, to become "the best choice" for our customers. To this end, we will enhance an "integrated business model for life and non-life" by increasing the number of agents who are able to deliver life and non-life insurance to our customers and strengthen consulting sales of *Super Insurance* using tablet devices. In addition, to enhance the competitiveness of our claims service, we will conduct measures such as strengthening the claims service capability of agents and advancing service offerings by utilizing smartphone applications.

Moreover, we will promote "innovation in work style" of both employees and agents – that is, increasing productivity to strengthen customer contact.

Significantly Enhance the Value Delivered to Customers through Every Opportunity to Become "the Best Choice" for the Customers



Measures to Achieve Sustainable Growth



Measures to Help Resolve Social Issues

Tokio Marine & Nichido conducts awareness-raising activities such as "Disaster Prevention Lessons" at schools. It also provides loss prevention services as well as support for the recovery of disaster-affected areas to help resolve issues and reduce damages from natural catastrophes, traffic accidents and other issues. We also promote environmental protection and awareness-raising activities including industry-academia collaborative research on natural disaster risks with The University of Tokyo, Tohoku University and others, mangrove planting and domestic environmental protection activities through the "Green Gift" Project, "Green Lessons" and the "Children's Environmental Award". Furthermore, to build a brilliant future where all can lead their lives with great individuality and a sense of security, we actively take part in initiatives such as helping junior swimmers grow through support for the Japan Swimming Federation, support for the elderly and the challenged through training courses for dementia supporters and support for the Special Olympics.

Nisshin Fire

Nisshin Fire is a non-life insurance company established in 1908. Nisshin Fire provides simple, easily comprehensible insurance products to customers through 14,020 agents (as of March 31, 2015) with the goal of becoming the most familiar and trusted retail non-life insurance company.

Under the new Mid-Term Business Plan, we will accelerate selection and concentration of business by focusing on the personal and small-sized corporate market while maximizing Group synergy, and enhance competitiveness (profit growth potential) through unique products and channel strategies in the retail market.

In fiscal 2014, net premiums written decreased by 0.5% year on year to 136.6 billion yen. Net income was 12.5 billion yen, and adjusted earnings totaled 12.2 billion yen.

For fiscal 2015, we project that net premiums written will increase by 0.8% year on year to 137.7 billion yen, net income will be 4.0 billion yen, and business unit profits will total 6.0 billion yen.

Pamphlets on various insurance products

Financial Highlights

(Billions of yen)

		FY2013	FY2014	Year-on-Year Change	Year-on-Year Change (%)	FY2015 Projections	Year-on-Year Change	Year-on-Year Change (%)
All Lines Total	Net premiums written	137.2	136.6	(0.6)	(0.5%)	137.7	1.0	0.8%
	Underwriting profit	1.6	14.7	13.1	814.5%	4.4	(10.3)	(70.2%)
	Net investment income	3.3	3.1	(0.1)	(5.7%)	2.2	(0.9)	(30.5%)
	Ordinary profit	4.7	17.6	12.9	272.8%	5.9	(11.7)	(66.6%)
	Net income	3.3	12.5	9.2	275.8%	4.0	(8.5)	(68.2%)
	Business unit profits	2.7	12.2	9.5	349.0%	6.0	(6.2)	(51.0%)

E. design Insurance

E. design Insurance is a direct non-life insurance company with Tokio Marine Group and the NTT Group as joint investors that commenced operations in June 2009. E. design Insurance sells auto insurance via the Internet to customers who use the Internet in their daily lives and want to find the insurance best suited to their needs.

Under the new Mid-Term Business Plan, we will work to further enhance quality in areas such as accident response services and our call center while making our website even more convenient for customers to use with the aim of "being the number one direct insurer in terms of customers' choice".

In fiscal 2014, net premiums written increased by a substantial 18.7% year on year to 16.9 billion yen.

With its large prior investments, a new insurance company must attain a level of premiums written that can cover its business expenses to be profitable. We will work to further increase premiums written while improving our loss ratio and administrative efficiency to achieve profitability at an early stage.

E. design Insurance website

Financial Highlights

(Billions of yen)

		FY2013	FY2014	Year-on-Year Change	Year-on-Year Change (%)
All Lines Total	Net premiums written	14.2	16.9	2.6	18.7%
	Underwriting profit	(4.4)	(4.2)	0.2	—
	Net investment income	0.0	0.0	(0.0)	(77.3%)
	Ordinary profit	(3.2)	(8.0)	(4.7)	—
	Net income	(3.2)	(8.0)	(4.7)	—

Domestic Life Insurance Business

Business Overview and Strengths

Tokio Marine Group's domestic life insurance business at Tokio Marine & Nichido Life, which commenced operations in 1996 to "promote a customer-oriented life insurance business", has been achieving sustainable growth. Tokio Marine & Nichido Life aims to be "the leading life insurance company in Japan", offering security to as many customers as possible through life insurance by providing 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.

Value Created in Fiscal 2014 (Achievements)

► Annualized premiums for new policies continued to show high growth, increasing by 20.1% compared with fiscal 2013 due to favorable sales growth in the first-sector line and individual annuities.

► Embedded value* increased by 51.1 billion yen year on year to 142.0 billion yen due to factors including the effect of change in the risk discount rate associated with changes in interest rates, the recording of deferred tax assets associated with the merger with the former Tokio Marine & Nichido Financial Life and a reduction in the corporate tax rate, despite the impact of the reversal effect from the increase in embedded value in fiscal 2013 associated with changes in underlying assumptions.

* Traditional embedded value basis

Market Environment (Opportunities and Risks)

Opportunities 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 future factors such as the aging of society and advances in medical technology. As a result of these changes, a potential market is coming to light in the field of living protection for areas 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.

Risks Because growth is expected in the market for living protection, mainly in the third-sector lines such as medical insurance, other life insurance companies are also developing new products and strengthening sales. We will continue to focus on developing attractive products.

In addition, interest rates are at low levels due to monetary policy, causing effects such as a decline in the yield on investments. However, we will appropriately control fluctuations in surplus through ALM (asset and liability management).

Shinichi Hirose
President
Tokio Marine & Nichido Life Insurance Co., Ltd.

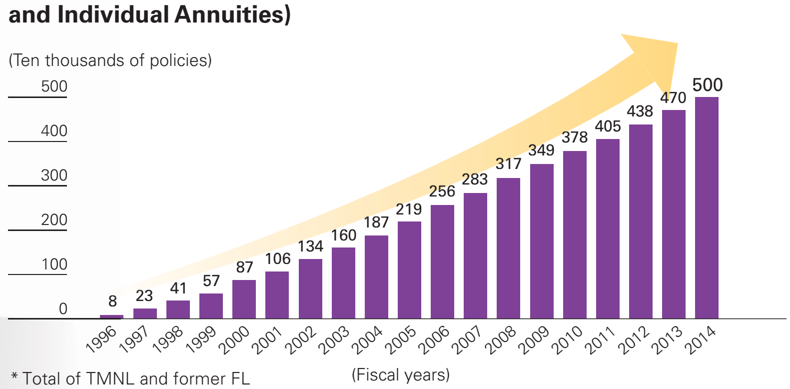
Growth Rate of Number of In-Force Policies at TMNL

CAGR of in-force policies from FY2000 to FY2014[1]

TMNL[2]	+13.3%
Average of Japanese life insurance market[3]	+2.9%

Notes: 1. Total of individual insurance and individual annuities
2. After merger basis
3. Source: The Life Insurance Association of Japan

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



* Total of TMNL and former FL

Tokio Marine & Nichido Life

Review of the Previous Mid-Term Business Plan

We promoted the development of attractive products with uniqueness and high added value as well as an integrated life and non-life sales approach. As a result, we significantly exceeded the previous Mid-Term Business Plan target of aggregate embedded value of 180.0 billion yen over the three-year period.

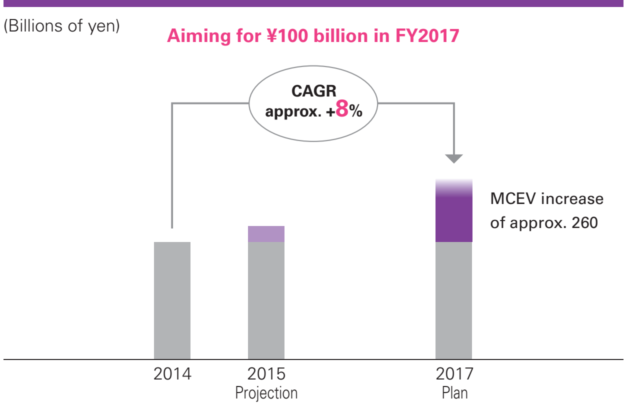
The New Mid-Term Business Plan

Under the new Mid-Term Business Plan, Tokio Marine & Nichido Life will work for a compound annual growth rate in embedded value* of approximately 8% with the aim of becoming a company that can generate embedded value at the 100.0 billion yen level in fiscal 2017.

To date, Tokio Marine & Nichido Life has grown steadily to the level of a medium-sized life insurance company. On the other hand, as the business expands, the importance of achieving profitable growth while appropriately controlling risks is increasing. To do so, we will promote a shift in sales from saving-type products to protection-type products under the new Mid-Term Business Plan. In addition, we will maintain a high level of growth, with a compound annual growth rate of approximately 10% for both annualized premiums for new policies based primarily on protection-type products, and the number of new policies in personal insurance by strengthening measures in the field of living protection, which is expanding with the aging of society and advances in medical technology.

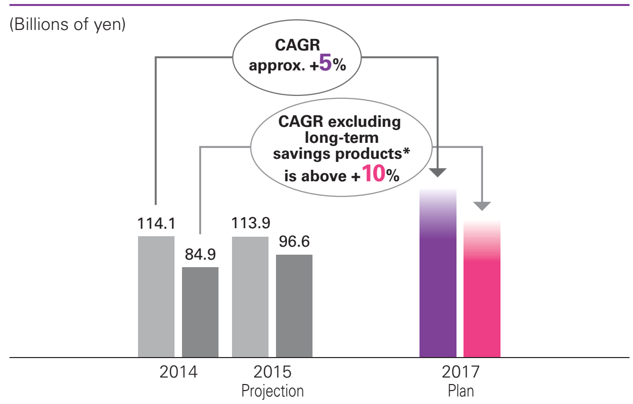
* Tokio Marine & Nichido Life has decided to change to Market Consistent Embedded Value (MCEV) from fiscal 2015 to control economic value more appropriately.

Business Unit Profits



	2014	2015 Projection	2017 Plan
Year-end MCEV	1,037.3	1,107.0	approx. 1,300.0
MCEV increase		70.0	100.0

New Policies Annualized Premiums



* Individual annuity and *"whole life with long-term discount"*

Outline of Strategy

Promote "Life Insurance Revolution to Protect One's Living"	• Expand our unique product line-up ("*Premium Series*") which is a source of stable profit, mainly focusing on the increasing demand in the living-protection market • Develop highly competitive products that accurately meet the customer needs and thus contribute to the increase in the number of customers • Promote sales shift from saving-type products to protection-type products in low interest rate environment
Strengthen growth potential	• Promote multi-channel strategies with the main focus of unlocking the potential of the integrated business model for life and non-life • Strengthen sales channel support by substantially enhancing our sales force
Establish infrastructure for future growth	• Renovate our new-policy management IT-system which will enable flexible product development as well as establish infrastructure to support the advancement of our insurance business

Promotion of “Life Insurance Revolution to Protect One’s Living”

Tokio Marine & Nichido Life will extend the unique, high-value-added product lineup of its *Premium Series* to continue the “Life Insurance Revolution to Protect One’s Living”*, which it has been promoting since the previous Mid-Term Business Plan. In July 2015, we began sales of two new products: *Cancer Treatment Support Insurance NEO* and *Cancer Insurance R*. *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. *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. In addition, we will further renovate our IT system for flexible product development to further enhance our product lineup.

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

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

New cancer insurance products

Product Strategy (Expanding Proactively into the Living-Protection Market)

“Life Insurance Revolution to Protect One’s Living”

- **Hospitalization/Surgery** 〈medical insurance〉
- **Outpatient treatment** (after discharge)
- **Inability to work** (home care)
- **Nursing care requirement** (permanent disability)
- **Death** 〈conventional life insurance〉

Cultivate potential market (Life insurance to protect one’s living)

Before FY11

- “*Long-life Support Whole Life*”
- “*Medical Kit*” with inability-to-work support

FY12-14

- “*Household Income Term*” with inability-to-work benefit
- “*Medical Kit R*”
- “*Medical Kit Love R*”

FY15-17 New Mid-Term Business Plan

1 Continue product offering to satisfy diverse customer needs

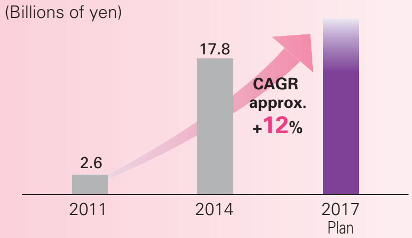
- July 2015: release new cancer insurance products (“*Cancer Treatment Support Insurance NEO*”, “*Cancer Insurance R*”)
- Continuously release highly unique products onwards

2 Increase the sales proportion of protection-type products

- Promote living-protection insurance and “*Premium Series*”
- Strengthen and enhance consulting skills of agents

“*Premium Series*”, New Policy Annualized Premiums

(Billions of yen)



3 Accelerate product development by renovating our IT system to achieve future growth

Strengthening Growth Potential

The source of Tokio Marine & Nichido Life's growth potential is the trust it receives from its customers, which is derived from its diverse sales channels consisting of non-life agents, Life Professionals, Life Partners (sales staff) and bancassurance sales. Under the new Mid-Term Business Plan, we will achieve growth in each channel by strengthening sales channel support to a greater extent than before to deliver attractive products to customers. We will also promote a sales channel mix that makes the most of the characteristics of each channel. In addition, we intend to enable the further advancement of the insurance business by utilizing the latest devices such as smartphones and tablets, which have rapidly become widespread in recent years, to grasp potential customer needs for life insurance, make proposals and train sales agents.

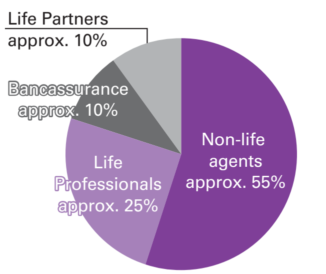
The number of Tokio Marine & Nichido Life's in-force policies exceeds five million. We will work for further large-scale growth by taking on various innovations in product development, sales, business process reform and other areas as "an industry challenger" with the aim of becoming a company with the prospect of raising the number of in-force policies to a scale of eight million, or even ten million.

Promote Multi-Channel Strategies with the Main Focus of Unlocking the Potential of the Integrated Business Model for Life and Non-Life

Achieve growth in the four major channels

Channel composition

(FY2014 life insurance premiums on managerial accounting basis)



Non-life agents	**Strengthen sales force of life insurance products** • Strengthen training of sales agent • Develop products compatible with integrated sales approach of life and non-life
Life Professionals	**Strengthen partnership** • Strengthen parallel sales of life and non-life insurance products • Support governance within the agent
Life Partners	**Channel expansion while ensuring quality**
Bancassurance	**Increase the sales of protection-type products**

Promote sales channel mix

Life Professionals × Non-life agents (Credit card and mail order companies, etc.)

Life Partners × Non-life agents

Strengthen support for channels by integrated approach of life and non-life

Substantial increase of sales force at TMNL
- Generate +30% of sales personnel time for sales support activities by shifting administrative work and inquiries, etc to back office
- Utilize the extra time generated to strengthen support for agents by TMNL personnel

Sales support to non-life agents through integrated approach of life and non-life
- Clarify role of sales personnel of life and non-life and provide all-in-one support

Establish infrastructure to support the advancement of our insurance business
- Utilize tablet PCs, etc. to grasp potential customer needs, complete a series of contract procedures including proposals, and promote training for sales agents

Measures to Help Resolve Social Issues

Tokio Marine & Nichido Life conducts activities that go beyond the economic support of claims payments to promote a "customer-oriented life insurance business".

As one such measure, we conduct "Activities to Protect Customers from Cancer" under our social mission as a life insurance company that handles cancer insurance. Employees and agents work together to conduct a variety of initiatives. Examples include the "Pink Ribbon Movement" to convey the importance of early detection of breast cancer, activities in collaboration with local authorities to improve cancer survey rates, and making and donating terry cloth caps for patients undergoing chemotherapy.

Moreover, we have promoted the "Life Insurance Revolution to Protect One's Living" since 2012 to offer substantial security to customers not only in the field of cancer insurance but also in the field of living protection (medical, nursing care, etc.) and are developing products and services to protect our customers.

International Insurance Business

Business Overview and Strengths

Tokio Marine Holdings is taking a balanced approach from the perspective of risk diversification by building global operations both in the developed markets of Europe and the United States, which account for approximately 70% of the global non-life insurance market, and in emerging markets where growth is expected, and we aim for continued profit expansion. Tokio Marine Group currently serves 37 countries and regions through offices in 469 cities, achieving a broad network to provide safety and security to customers.

(As of March 31, 2015)

Value Created in Fiscal 2014 (Achievements)

- Net premiums written increased by 21% compared with fiscal 2013 to 1.3 trillion yen due to the progress of growth measures in each country and region.
- Adjusted earnings grew to 145.5 billion yen, accounting for approximately 35% of the Group total, through the promotion of business diversification among life, non-life and reinsurance and geographical diversification of underwriting risks.
- Tokio Marine Holdings established a global management structure with regional management companies in North America, Europe and Asia.

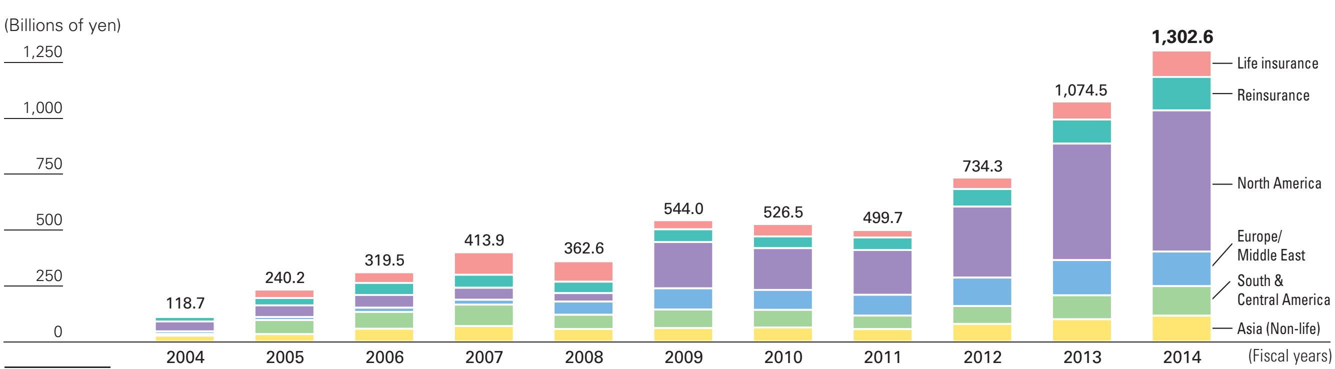
Market Environment (Opportunities and Risks)

Opportunities The global insurance market is expected to continue to expand and grow for the present backed by moderate growth in the world economy. In addition to the stable growth of the commercial market in the United States, emerging markets, mainly in Asia, are expected to see market expansion due to brisk new investment and expansion of the individual insurance market associated with the growth of the middle class. 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.

Risks The international insurance business could be affected by risks such as the following associated with its global business development. We are strengthening our information collection and analysis to respond quickly and accurately in the event these risks are generated.

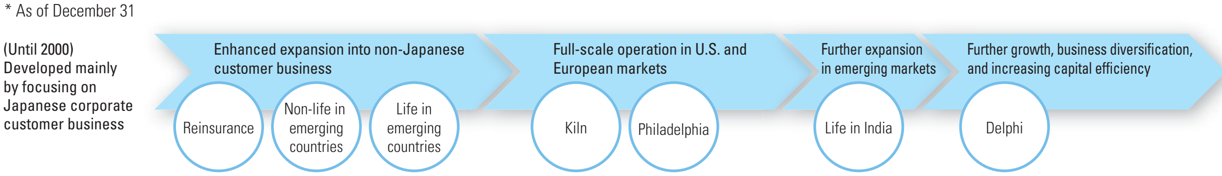
- A worsening environment for premium rates associated with softening of the market
- An increase in net incurred losses from natural catastrophes exceeding assumptions in the business plan
- Declining growth or worsening profitability due to the generation of social, political or economic risks in a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

Net Premiums Written in the International Insurance Business



Exchange rate*											
USD/JPY	104.2	118.1	119.1	114.1	91.0	92.1	81.4	77.7	86.5	105.3	120.5

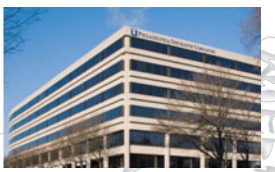
* As of December 31



Worldwide Operations

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.



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.

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. In 2014, it brought the former U.S. branch of Tokio Marine & Nichido under its control as a local subsidiary to conduct more strategic and flexible business development.

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 a reinsurance company that has been steadily expanding its business since its establishment in 2000, primarily by underwriting natural catastrophe risks. It conducts proactive global business development that has included re-domestication from Bermuda to Switzerland in 2013 and establishment of a U.S. branch in 2014. Committed to underwriting discipline, Tokio Millennium Re 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.

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 ten countries. The company also plans and proposes new businesses to contribute to life and non-life business expansion and profit growth in the region.

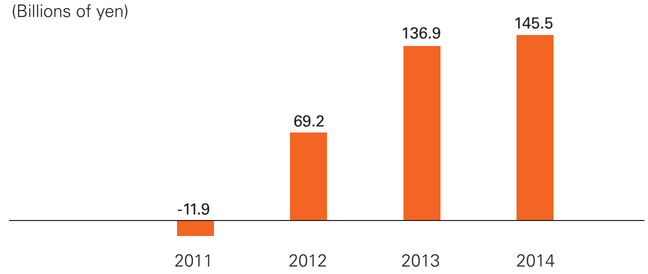
Ichiro Ishii
Senior Managing Director
Head of International Insurance Business

Review of the Previous Mid-Term Business Plan

Under the previous Mid-Term Business Plan, the international insurance business aimed to consistently achieve adjusted earnings of over 100.0 billion yen through sustainable growth and profit expansion as the growth driver of Tokio Marine Group. Revenue increased in developed markets due to the acquisition of Delphi in addition to organic growth at Philadelphia and Tokio Marine Kiln, and in emerging markets due to the expansion of the auto insurance business in Brazil and Asia, among other factors. As a result of efforts to enhance capital efficiency through diversification of geographical and business risks and the formation of a well-balanced portfolio, adjusted earnings for fiscal 2014 were 145.5 billion yen, substantially exceeding 100.0 billion yen for the second consecutive year.

Adjusted Earnings (Results)

(Billions of yen)



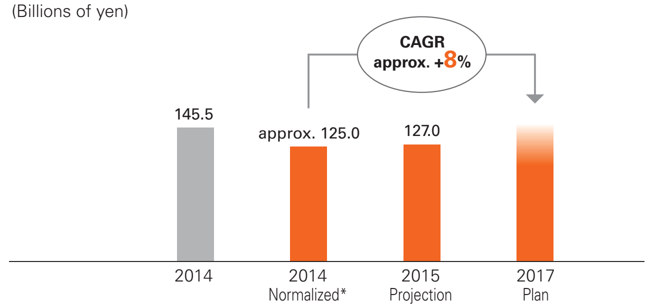
Applied FX rate (USD/JPY)	JPY 77.7 Dec. 31, 2011	JPY 86.5 Dec. 31, 2012	JPY 105.3 Dec. 31, 2013	JPY 120.5 Dec. 31, 2014

The New Mid-Term Business Plan

The international insurance business will continue to pursue balanced growth in both developed and emerging markets through "organic growth" and "M&A" as the driver of Tokio Marine Group's profit growth. To enhance organic growth, we will further utilize the collective strength of the Group as we aim for a compound annual growth rate of approximately 8% in profit. In our M&A strategy, we will continue to consider new business investment opportunities while maintaining discipline. Moreover, we will further enhance our business platform to support future growth of the international insurance business by strengthening our global corporate functions and global HR strategy.

Business Unit Profits (Plan)

(Billions of yen)



Applied FX rate (USD/JPY)	JPY 120.5 Dec. 31, 2014	JPY 120.1 Mar. 31, 2015	JPY 120.1 Mar. 31, 2015	JPY 120.1 Mar. 31, 2015

* Applying foreign exchange rates as of the end of March 2015 and assuming an average level of natural catastrophe losses

Overview of International Insurance Business Strategy

- **Pursue growth opportunities globally and build geographically diversified business portfolio as the driver of the Tokio Marine Group's growth**
- **Pursue balanced growth in both developed and emerging markets through "organic growth" and "M&A"**

Growth Strategy 1: Organic Growth

Further utilize collective strength of the Group
1. Expanding group synergies
2. Best practice sharing
3. Collaboration between domestic and international business

- **Developed markets**
- **Emerging markets**

Growth Strategy 2: M&A

Continue to consider new business investment opportunities in both developed and emerging markets while maintaining discipline

Further enhance our business platform to support future growth of the international insurance business

Global Corporate Functions

- Governance/Internal controls
- ERM
- Business process/IT
- Internal audit
- Investment

etc.

Global HR Strategy

- Development of global leadership talent
- Deployment of local talents for global operations

Organic Growth

For organic growth, we will further utilize the collective strength of the Group to pursue profit growth in both developed and emerging markets by expanding Group synergies and sharing best practices globally. In developed markets, we will strengthen our competitive advantage, mainly in the commercial market. In emerging markets, we will accelerate our business expansion mainly in the personal market to capture market growth and aim for further profit growth.

Note: Please refer to pages 52-53 for details on organic growth by region.

M&A

Tokio Marine Group has been conducting a proactive M&A strategy that has led to profit growth and portfolio diversification through disciplined M&A and smooth post-merger integration (PMI). In June 2015, the Group announced a definitive agreement to acquire 100% of the outstanding shares of HCC Insurance Holdings, Inc., a U.S. insurance holding company comprising property & casualty, accident & health and other specialty insurance businesses. Through this acquisition we will further expand the scale and profits of the international insurance business.

Under the new Mid-Term Business Plan, we will continue to consider new business investment opportunities in both developed and emerging markets while maintaining discipline to contribute to higher capital efficiency and continuous profit growth for the Group as a whole.

Note: Please refer to page 54 for details on the acquisition of HCC Insurance Holdings, Inc.

Significant Contribution to the Group's Profit Growth through M&A Strategy and Smooth PMI

• Acquisition Principles

- ✓ Management soundness (A good management team sharing our values)
- ✓ Robust business model
- ✓ High growth potential

• Smooth PMI (Post Merger Integration)

- ✓ Establishing strong mutual reliable relationship with local management
- ✓ Implementing effective governance structure while respecting local management
- ✓ Expanding group synergies through sharing and transferring competitive advantages of each company

Trend of Adjusted EPS*

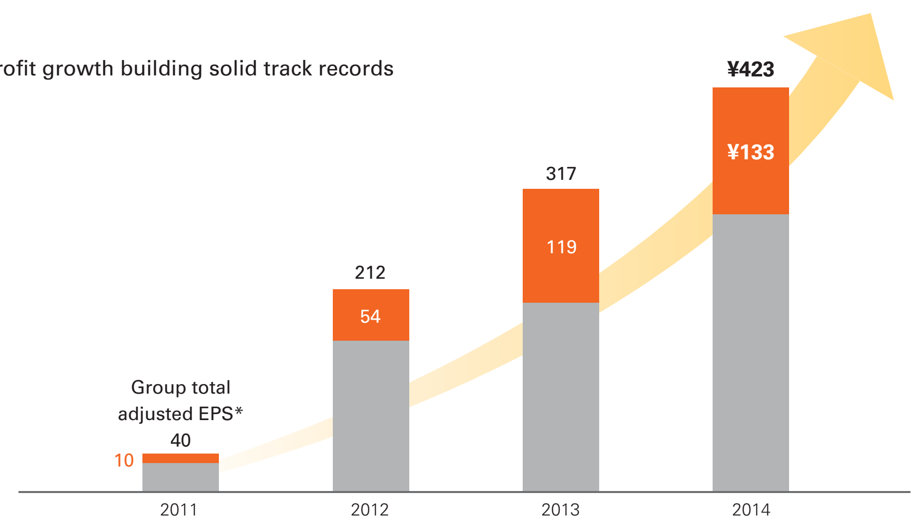
Significant contribution to the Group's profit growth building solid track records

Total adjusted EPS* of 3 companies

Kiln — Mar. 2008

Philadelphia Insurance Companies (A Member of the Tokio Marine Group) — Dec. 2008

Delphi (A member of the Tokio Marine Group) — May 2012



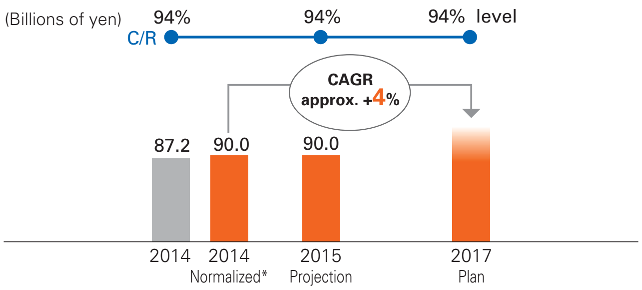
* Group: Adjusted net income per share
3 companies: Total of business unit profits per share

Continue to consider new business investment opportunities both in developed and emerging markets while maintaining M&A discipline

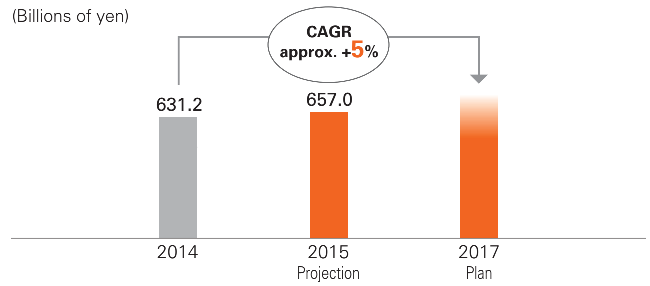
Growth Strategy in Developed Countries

North America

Business Unit Profits



Net Premiums Written



* Applying foreign exchange rates as of the end of March 2015 and assuming the average level of natural catastrophe losses

PHILADELPHIA INSURANCE COMPANIES
A Member of the Tokio Marine Group

Maintaining profit growth outperforming the market through underwriting discipline and action

- Highly competitive business model focusing on niche markets
- Maintaining high retention ratio of in-force policies through strong franchise network
- Holding fast to underwriting discipline including Dynamic Portfolio Optimization (DPO)[1], etc.
- Expanding distribution channel and new product sales including strategic bolt-on M&A
- GREENPHLY environmental awareness and environmental protection activities by employee volunteers

1. DPO: Strategy to optimize portfolio by identifying contracts with significant natural catastrophe risks and actively improving pricing terms and conditions

DELPHI
A member of the Tokio Marine Group

Expanding profit growth through profound investment expertise as well as further developing specific products and specific markets

- Highly competitive business model focusing on market for employee benefits and excess workers compensation
- Maintaining high retention ratio and improving underwriting conditions in main products
- Diversifying profit sources including asset accumulation business[2] through profound investment expertise
- Employee volunteer activities for Safety National Day of Service

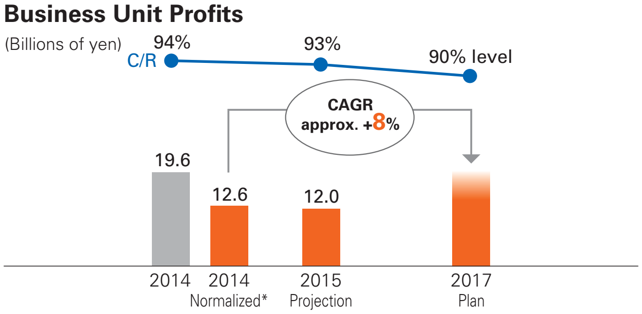
2. Asset accumulation business: Annuity and funding agreement

Pursue Synergy Effect in North America

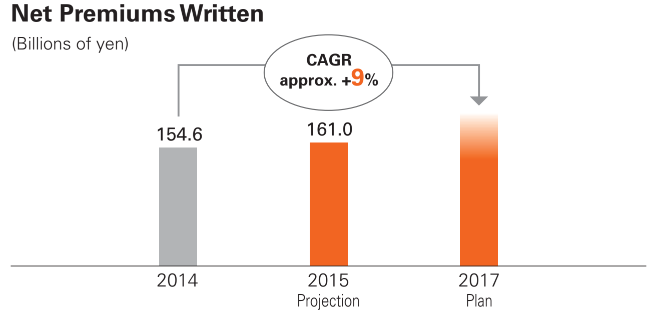
Product development | Reinsurance | Investment | HR development | Cost efficiency

Europe

Business Unit Profits



Net Premiums Written



* Applying foreign exchange rates as of the end of March 2015 and assuming the average level of natural catastrophe losses

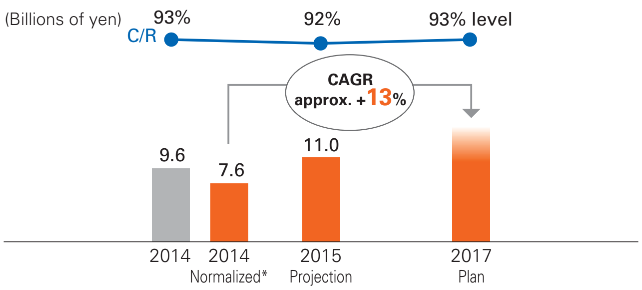
TOKIO MARINE KILN

Achieving profit growth through business platform in the Lloyd's market and corporate market under the integrated brand, "Tokio Marine Kiln"

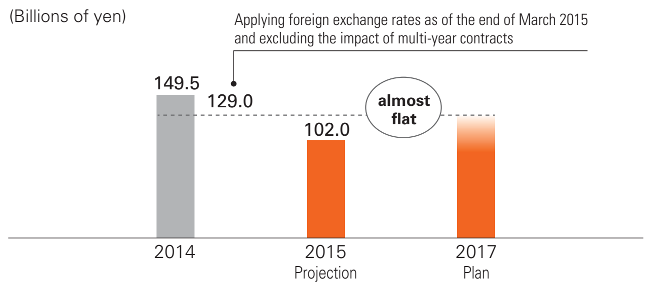
- Enhancing the quality of business through the integration
- Focusing on specialty business whilst maintaining underwriting discipline
- Reinforcing strategic approach to the corporate market including Japanese enterprises
- Support for patients through participation in Macmillan Cancer Support running events

Reinsurance

Business Unit Profits



Net Premiums Written



* Applying foreign exchange rates as of the end of March 2015 and assuming the average level of natural catastrophe losses

TOKIO MARINE TMR

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

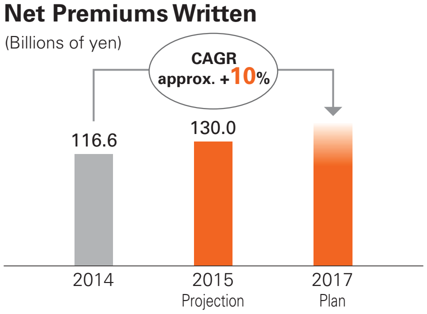
- Further expanding US/Europe/Oceania portfolio
- Promoting geographical and product line diversification (expansion in business without risk of natural catastrophe)
- Expanding source of profit through solution offering to meet customer needs
- Contribution to the local community through support for charitable organizations and sponsorship of sporting events

Growth Strategy in Emerging Countries

Asia

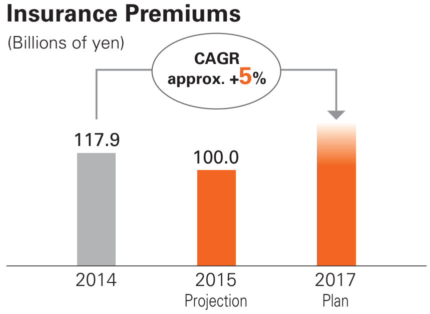
Non-Life

Net Premiums Written



Life

Insurance Premiums



Thailand, Malaysia, India, etc.

- Strengthening main product sales and expanding distribution channels

China

- Further strengthen Japanese corporate customer business and auto insurance business

Singapore, Malaysia and Thailand

- Improving profitability through expansion of distribution channels and product revisions

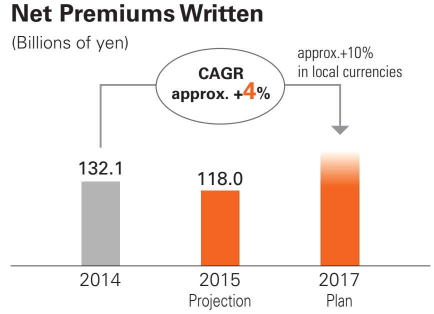
India and Indonesia

- Establishing stable business platform including distribution networks

- Strengthening management control by Tokio Marine Asia (regional headquarters)
- Further expanding business by benchmarking the best-practice within the Group
- Accelerating development in personal market through expansion of distribution channels both in non-life and life
- Growth and development in emerging countries: Support for schools of children of migrant workers in China in collaboration with the All-China Youth Federation
- Singapore: Environmental protection and support for children through mangrove planting events

South & Central America

Net Premiums Written



Brazil

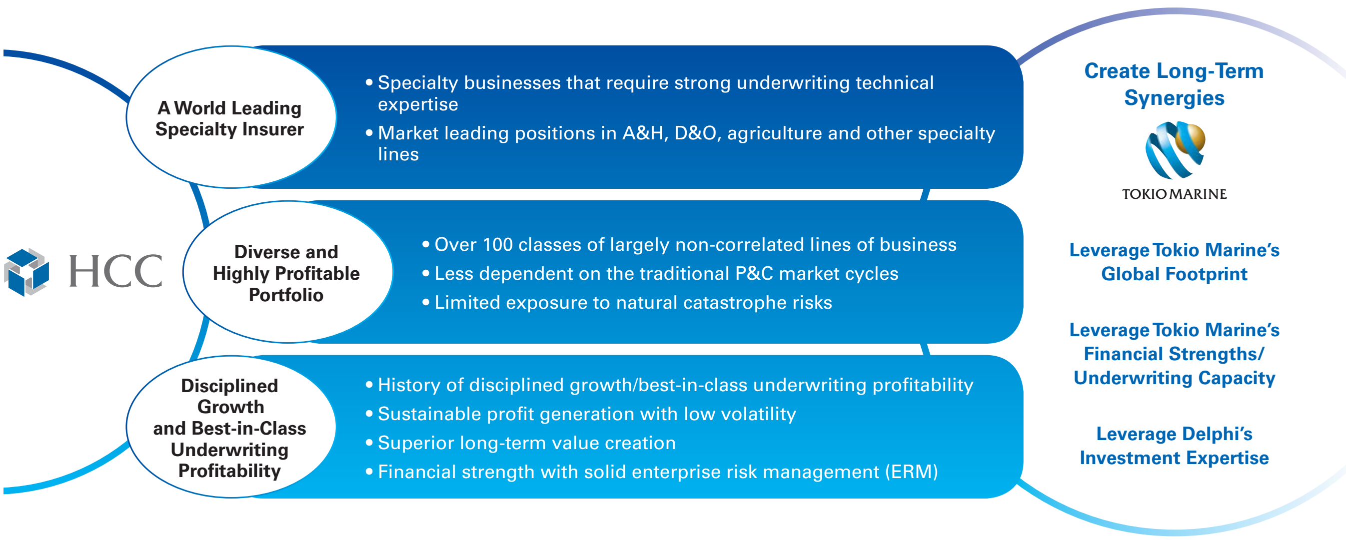
- Maintaining high growth outperforming market and profitability in auto insurance as the main business
- Establishing a new growth driver in addition to auto insurance business
- Promoting progress of measures to improve operation efficiency and profitability through business process reform

Acquisition of HCC Insurance Holdings, Inc.

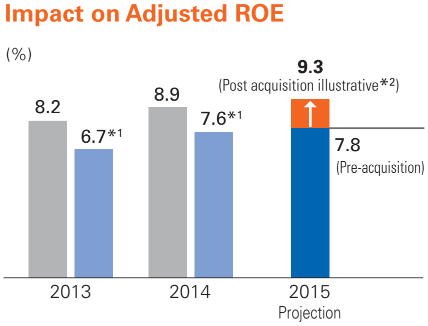
In June 2015, Tokio Marine Holdings announced a definitive agreement to acquire 100% of the outstanding shares of HCC Insurance Holdings, Inc. ("HCC"), a U.S. insurance holding company comprising property & casualty, accident & health and other specialty insurance businesses. HCC is a world leading specialty insurer, having a highly profitable and diversified portfolio with strong underwriting expertise.

With this acquisition, we will develop new business and further expand profit by combining the complementary strengths of Tokio Marine Group and HCC to create long-term Group synergies. We will leverage our comprehensive strengths, including the Group's global footprint to cross-sell HCC's specialty products, the Group's financial strengths and underwriting capacity, and Delphi's investment expertise.

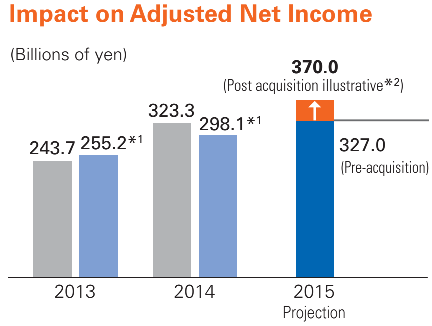
Through this acquisition we will further pursue additional growth opportunities globally as a Group to further expand the scale and profit of the international insurance business. In addition, the greater diversification of the Group's portfolio will lead to a more solid business platform for higher capital efficiency and continuous profit growth for the Group as a whole.



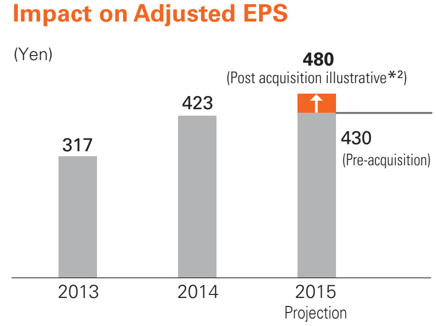
Impact on Adjusted ROE



Impact on Adjusted Net Income



Impact on Adjusted EPS



*1 Adjusted basis: Adjusted net income includes amount of claims related to natural disasters is adjusted to the average level. Adjusted net assets include share price and exchange rates which were adjusted to the level at the end of March 2015.

*2 Post acquisition illustrative: Calculated based on TMHD's preliminary estimates of full year profit contribution net of expenses in relation to the acquisition.

Post transaction, the proforma adjusted ROE will increase by 1.5% and EPS will improve by 12%

Note: The figures shown here are the simulated simple sum of the annual projection for Tokio Marine Holdings' fiscal 2015 results and its preliminary estimates for HCC's 2015 calendar year results. We will disclose the financial impact of this acquisition on Tokio Marine Group's consolidated results for the fiscal year ending 2015 when available during our standard reporting period.

Please refer to page 20 for the definitions of adjusted net income, adjusted net assets and adjusted ROE.

Forex rate as of March 31, 2015 (USD 1 = JPY 120.17)

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 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.

Value Created in Fiscal 2014 (Achievements)

- Adjusted earnings were 4.0 billion yen due to factors including the acquisition of a large-scale contingency fee for a fund managed by Tokio Marine Capital and increased revenues at Tokio Marine Asset Management.
- We began providing products to meet more diverse investor needs including the establishment of a domestic private REIT fund managed by Tokio Marine Property Investment Management and a mezzanine fund managed by Tokio Marine Mezzanine.
- Measures of general business companies that maximized the Group’s strengths and synergies, such as proposals for risk prevention or mitigation by Tokio Marine & Nichido Risk Consulting, contributed to the Group.

Financial Highlights

Business Unit Profits

(Billions of yen)

	FY2013	FY2014	FY2015 (Projection)
Financial and General Businesses	2.5	4.0	4.0

Financial Business

Tokio Marine Asset Management

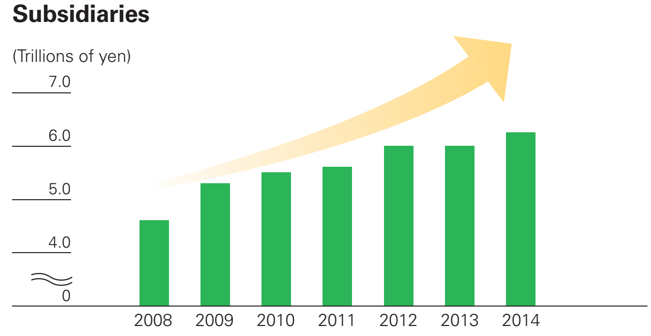
The importance of the social mission of asset management companies is increasing worldwide. In Japan as well, expectations for their roles are growing, as symbolized by the well-known phrase “shift from savings to investment”.

Tokio Marine Asset Management works continually to enhance its 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”. It aims to “become an asset management company recognized globally” with the slogan “TMAM Quality: One step ahead of our customers’ expectations”.

Tokio Marine Property Investment Management

Tokio Marine Property Investment Management responds to the trust of institutional investors by determining real estate investment value and selecting superior overseas real estate funds, and by providing domestic private REIT and overseas real estate fund of funds, leveraging its sophisticated know-how regarding real estate investment.

Assets under Management at Financial Business-Related Subsidiaries



Tokio Marine Capital

Tokio Marine Capital manages private equity funds. It meets the investment management needs of its institutional investor clients by conducting activities such as management buyouts for corporate restructuring and buyouts with business succession by the owner company, and working to improve corporate value together with its investee companies.

Tokio Marine Mezzanine

Tokio Marine Mezzanine was established in November 2013 to manage mezzanine funds (a financing method that is a cross between bank loans and equity financing). It meets the diversifying financing needs of companies while providing new investment products to institutional investor clients 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, a more fluid international situation due to the rise of emerging countries and increasing geopolitical risks, and the increasing complexity of supply chains on a global basis, among other factors. Creating 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* (BELFOR), *strategic risk management, overseas crisis management, infectious disease countermeasures, product safety management* and *auto accident reduction*.

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, then making proposals to prevent or mitigate the risks based on the results, thus helping to improve the corporate value of our customers.

The New Mid-Term Business Plan

Under the new Mid-Term Business Plan, we will elevate the expertise of each business company and enhance functional cooperation among Group companies to further increase the Group's strengths and synergies.

Financial Business

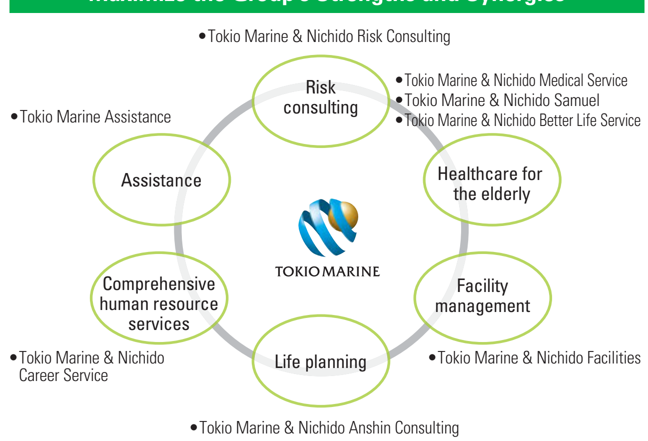
- Contribute to the improvement of the Group's business portfolio and profit growth by developing businesses with high capital efficiency, mainly in the asset management (fee-based) business
- Strategically expand our business in the domestic retail business and overseas businesses, which are the growing markets, by utilizing our asset management expertise proven in the business for domestic institutional investors

Investment advisory and investment trust services:
Tokio Marine Asset Management
Real estate investment advisory services:
Tokio Marine Property Investment Management
Private equity investment services: Tokio Marine Capital
Mezzanine fund investment services: Tokio Marine Mezzanine

General Business

- Maximize the Group's strengths and synergies through enhanced cooperation among group companies
- Contribute to improved competitiveness of the Group's insurance companies by improving quality of products and services as well as operational efficiency

Maximize the Group's Strengths and Synergies



Diversity

The Power of Our People

Tokio Marine Group's Human Resource Development Philosophy

The driving force of Tokio Marine Group's value creation is its people, those who embody the Group's spirit and hold the power to create value. With our corporate culture that encourages ongoing self-improvement, we continue to grow by establishing mechanisms for further developing human resources and continuing to leverage our employees' capabilities.

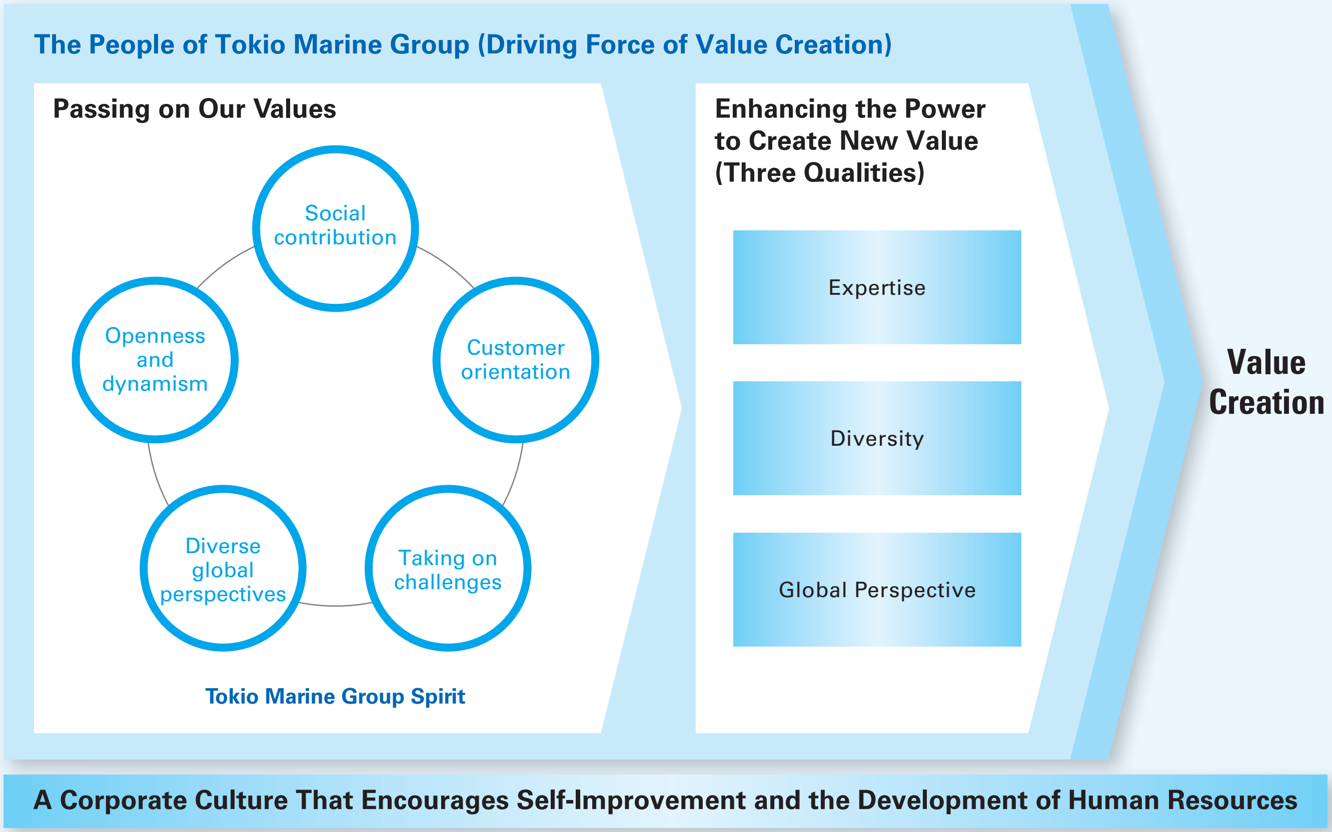
Hajime Oba
Managing Executive Officer

Tokio Marine Group is currently undergoing a global expansion that is unprecedented in its history, by further expanding its role of taking on natural catastrophe and other risks worldwide through the insurance business. The needs of our customers, shareholders and other stakeholders are diversifying, and I believe we must accurately understand these needs and continue to generate the value that is expected of us.

To that end, while aiming be a global insurance group as well as a "Good Company", we have been planning and implementing Group business strategies. Furthermore, I believe that the key – the most important factor in the success of these strategies – is our Group's people.

There is a "Tokio Marine Group spirit" that has been passed down through the years. It consists of five elements: (1) social contribution, (2) customer orientation, (3) taking on challenges, (4) diverse global perspectives and (5) openness and dynamism. This spirit has not faded, but remains strong even in today's changing business environment and I believe that it holds elements that will be essential for many years to come. Our people should fully understand this spirit and take it to heart as they boldly and unhesitatingly take on challenges in new fields. Moreover, they should be able to champion diversity and understand various values. I believe that the capabilities these people display are the driving force in our value creation.

In order to continuously develop employees who understand the Tokio Marine Group spirit and take it to heart, we value a corporate culture that encourages self-improvement and the development of human resources, one which we have built up over many years. For example, in addition to understanding their roles and responsibilities in conducting the insurance business, Tokio Marine & Nichido Fire and Tokio



Marine & Nichido Life have established various opportunities for employees to inherit and learn the spirit through experience. This focused, long-term development provides chances, particularly for young employees, to learn about this spirit firsthand through a wide variety of experiences.

For employees to grow into employees who will create new value, we emphasize three key qualities: "expertise", "diversity" and "global perspective". People who have internalized these qualities are the current drivers of the Group's businesses. In today's insurance business, where changing needs abound, accurate judgment and a clear idea of what the future holds based on top-class expertise are indispensable, and they will become even more important in the future. In order to continue to provide value to each one of our customers, it will be necessary to understand and realize the value of promoting diversity on a global scale and to display our own diversity across genders, age, nationality and more. With further global expansion and the international business increasing as a growth driver, employees worldwide must adopt an even more global perspective and apply their capabilities to managing the business.

The following pages share an example of some of the mechanisms for passing on the Tokio Marine Group spirit, followed by three case studies which each highlight specific efforts to develop people who create value focusing on "refining expertise", "empowering women" and "cultivating a global perspective". By steadily applying our approach to human resource development and fully utilizing the capabilities of the people who result from it, we will continuously create new value and grow worldwide.

Spreading the Tokio Marine Group Spirit

Sharing the Spirit within the Group

Since the founding of our company, our predecessors have valued the "Tokio Marine Group spirit" which, driven by the initiative of each employee, serves as the inspiration for people who boldly take on challenges with a strong sense of mission. In order to be a "Good Company" now and 100 years into the future, we believe that all employees must recognize the importance of this spirit and continue to use it as a foundation for their actions and speech. Learning from one another is deeply rooted as an approach within Tokio Marine Group, and it continues to be applied and conveyed through everyday duties and training sessions.

Consistent Openness and Dynamism

One element of the Tokio Marine Group spirit that has been passed down intact through the years is the principle of "openness and dynamism". An example of the embodiment of this principle is a series of meetings where specific topics are expected to be discussed in an open, frank and creative manner. These meetings are held in each region throughout Japan on themes such as what we should do to become a "Good Company". They provide a forum and an opportunity for all participants to express their sincere thoughts and ideas and to share ideas with each other, regardless of rank, position or other factors. Participation goes beyond the boundaries of supervisor and member, junior and senior, or company and division.

At these meetings, supervisors and senior staff talk at length to members and junior staff about matters such as their individual aspirations, what they have learned, their experiences, and what they still want to accomplish. Members and junior staff then take the opportunity to ask supervisors and senior staff questions and in doing so, they learn what Tokio Marine Group employees should value.

Meeting to discuss becoming a "Good Company"

Masahiro Yoshida of the 5th Production Department, for example, remains aware of the stance and approach to work he has learned from his supervisor and senior staff, and has put it into practice. In addition, he continues to communicate what he has learned to younger staff at these meetings and also through his daily work. In this way, the "Tokio Marine Group spirit" continues to be passed on.

Because all employees share a spirit of "openness and dynamism", these meetings provide a chance for enthusiastic and heated discussions. This enduring quality

As a young employee, I learned from a senior staff member that to build a relationship of trust with customers, you have to always think positive, and I have put that into practice. I see to it that the people in my unit always approach customers with a positive attitude, so that they are not just insurance company employees to our customers, but indispensable business strategy partners.

Masahiro Yoshida
5th Production Department,
Section No. 2
Tokio Marine & Nichido Fire
Insurance Co., Ltd.

Insurance is an intangible product. I believe that making it an indispensable solution to a customer's needs and business development is the way to build a relationship of trust and become a business strategy partner for my customers. To do so, I maintain a stance of taking on challenges in new fields, unconstrained by conventional concepts and ideas to approach customers on the same level.

Koshiro Aso
5th Production Department,
Section No. 2
Tokio Marine & Nichido Fire
Insurance Co., Ltd.

of openness and dynamism leads Tokio Marine Group employees to understand the interdependent nature of their work, and helps to bring forth the capabilities of each employee, combine them with their colleagues and enable them to work together as a team to provide better products and services to our customers.

Contributing to Society and People

In fiscal 2014, Tokio Marine & Nichido introduced a program during the training period for new employees that includes volunteer activities in affected areas, cleaning activities at Tokio Marine & Nichido Facilities and caregiving experience at Tokio Marine & Nichido Samuel. Participants also hear from agents who dealt with major damage during the Great East Japan Earthquake and about how they reacted in an emergency. By making participants think deeply about how they can be of service to society, to people and to their valued customers, this program fosters their sense of mission as insurance company employees. Through the program they also come to fully understand their mission to be of assistance in times of need.

Volunteer activities in a disaster area

Volunteering in a disaster area provided a good opportunity to ask myself the real reason for Tokio Marine & Nichido's existence. Thinking deeply about customers and the local community together with an agent intensified my desire to be an employee who is of service in an emergency.

Yoshiakira Usami
Tachikawa Sub-branch,
Nishi-Tokyo Branch
Tokio Marine & Nichido Fire Insurance Co., Ltd.

Taking on Challenges in New Fields

Tokio Marine & Nichido Life commenced operations in 1996 with the aim of promoting a customer-oriented life insurance business, announcing their founding intention in the message "Something is wrong when people change to fit their life insurance". In this spirit, the company has developed innovative products that challenge the industry's conventional wisdom from the perspective of customers, creating hit products such as *Whole Life with Long-term Discounts* and *Medical Kit R*. In the eighteen-and-a-half years from the company's establishment to March 2015, the number of in-force policies has surpassed five million.

Tokio Marine & Nichido Life uses the term *hokenbito* (insurance professionals) to refer to those in the insurance business with a strong sense of pride in their work and a social mission to protect their customers above all. The company trains employees to adopt the viewpoints of their customers and partners and to think, act and take on challenges to become insurance professionals.

In life insurance sales departments, employees share information on when others have provided exceptional service with the policies they have sold, and conversely, when their recommendations provided less than ideal coverage. With ongoing efforts to learn, convey information and be of service through their experiences, they continue to take on challenges as insurance professionals.

"When you're really in a bad situation, insurance can help". Every day I act with a sense of mission, taking to heart these words from the senior employee who suggested I join the company. I explain the concepts of the Life Insurance Revolution to protect as many customers as possible.

Yuki Koshiba
Saga Life Insurance Branch,
Kyushu Business Support Department
Tokio Marine & Nichido Life Insurance Co., Ltd.

Developing and Leveraging Actuarial Expertise

Tokio Marine Group has a mid-to-long-term vision of becoming a global insurance group that sustains growth by offering quality that customers select. The insurance business by definition requires actuarial specialists who are masters of the calculation methods and theories necessary to conduct operations such as insurance product design, reinsurance policy planning, earnings analysis and risk management. As a core part of our Corporate Philosophy is to develop sound, profitable and growing businesses throughout the world, we use enterprise risk management (ERM) to address all aspects of decision-making considering risk. We then leverage this system to calculate a wide variety of risks including those associated with natural catastrophes and financial crises. With the accelerating pace of our advance in the insurance business overseas, global human resources with expertise in handling these duties have become increasingly important.

To consistently develop a large pool of capable and skilled experts, Tokio Marine Group encourages and supports them in taking the qualification examination given by The Institute of Actuaries of Japan. Each year, many of our employees across the globe who have obtained the qualification as an actuary also attend a conference with those in charge of risk management at Group companies worldwide. At this dedicated forum, actuarial experts engage in exchange and increase their level of expertise by sharing the latest risk evaluation methods and also conducting active discussions regarding their application in daily operations and beyond.

Kenichi Oka of Tokio Marine Holdings is a member of The Institute of Actuaries of Japan and currently works on ERM operations in Japan. He focuses on quantitative understanding and analysis of the risks assumed by Tokio Marine Group as a whole, and frequently interacts with overseas Group companies. He takes great pride in his work, which is directly connected to global management decisions, and has developed his own abilities through study sessions and day-to-day work with an experienced senior actuary. He now looks forward to helping develop the next generation of highly skilled employees.

There are many actuaries in Tokio Marine Group who obtained their qualification while raising their expertise through various work experiences, and now provide more sophisticated risk analysis. This working environment develops new people who learn from internal experts and continue to follow in their footsteps. By evaluating and analyzing a diverse range of risks, we will continue to stably offer insurance products to provide safety and security to more and more customers.

Risk managers conference

After having worked in asset management, I am involved with risk evaluation and analysis for the entire Tokio Marine Group. There are many stimulating aspects to my work. Investigating state-of-the-art risk evaluation techniques and putting them to use in enterprise risk management is the real pleasure of my job, and I am lucky to have the opportunity to confer with actuaries at overseas Group companies. Thanks to the support of my senior employees, I obtained qualification as an actuary and my understanding of my current job has deepened. In the future, I want to convey my own experience to junior employees and contribute to the development of the Group.

Kenichi Oka
ERM Planning Group,
Risk Management Department
Tokio Marine Holdings

Empowering Women

Using Diversity to Support Growth

In accordance with the Group’s Corporate Philosophy, each company in Tokio Marine Group is creating a corporate culture in which female employees are empowered to develop and contribute actively to provide products and services that better satisfy customers.

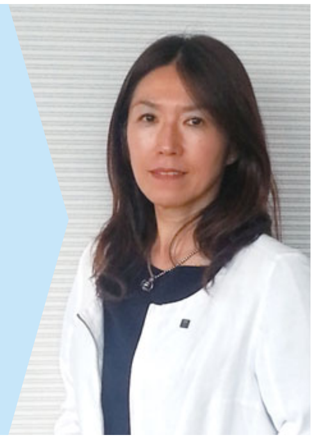
Currently in Japan, there is a strong focus to promote the role of women in the workplace. While Tokio Marine & Nichido has always worked to promote women, we have a few key initiatives to accelerate this process and develop female managerial talent. In addition to an ongoing program of expectations, training and activity forums, the company conducts proactive personnel transfers, assigns employees to roles that stretch their capabilities, and constantly seeks to enhance development activities. As a result of these and other measures, the number of female managers has increased by approximately 23 times over the past ten years, from eight in fiscal 2004 to 183 in fiscal 2015. Further, the opportunities for female employees have broadened substantially, including the company’s first female managing executive officer, Hiroko Shibasaki, who is in charge of sales in the Kyushu/Okinawa region.

Miwako Mori, General Manager of the Hokuriku Claims Service Department, is the first female manager of a claims payment department and carries out the responsibility of overseeing approximately 140 employees in the three prefectures of Ishikawa, Toyama and Fukui. Until 10 years ago, Ms. Mori worked in the Tokyo metropolitan area as a regional employee who could not be assigned to a position that required relocation. However, after a large-scale disaster occurred and employees from regions throughout Japan hurried to the scene as key support personnel, she came to feel the importance of on-site contact with customers and the value of providing claims service tailored to local communities. As a result, she decided to change her status to that of a national employee who can be transferred to any region in Japan. This provides a model example of the kind of culture for taking on challenges, driven by individual determination, that Tokio Marine Group is building.

Another example of exceptional performance by a woman working in Tokio Marine Group is Mayumi Ando of Tokio Marine Asset Management, who is building a career as a fund manager and analyst focusing on domestic bonds. The TMA JPY Investment Grade Bond Fund, of which Ms. Ando is the main manager, features carefully diversified investments and has gained popularity for its good performance, attracting attention that has included winning a Morningstar Award in 2014 and R&I Fund Awards in 2014 and 2015.

A talk with my boss and the inspiration I got from my senior colleagues who work with vigor while continuing to take on challenges, encouraged me to become a national employee. I feel it is my mission to pass on what I learned from my predecessors to train those who will follow me.

Miwako Mori
Hokuriku Claims Service Department
Tokio Marine & Nichido Fire Insurance Co., Ltd.



Number of Female Managers at Tokio Marine & Nichido

(As of April 1, 2015)

Being entrusted with duties ranging from analyzing the creditworthiness of investee companies to building a portfolio is very rewarding. I will continue to work to exceed my customers’ expectations and satisfy the fund’s other stakeholders.

Mayumi Ando
Fixed Income Department
Tokio Marine Asset Management Co., Ltd.

Cultivating a Global Perspective

Our DNA

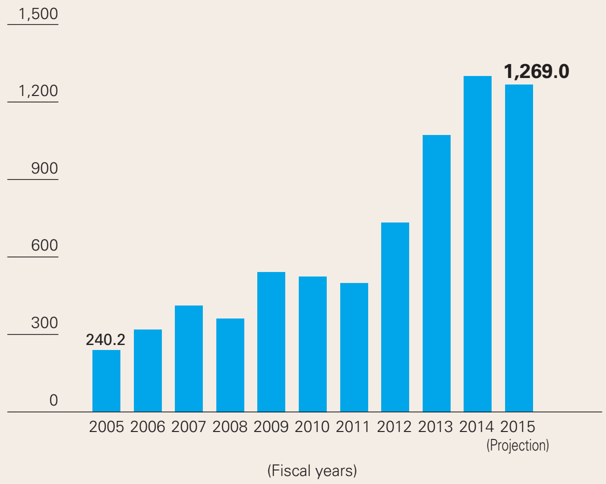
Tokio Marine was founded in 1879 and immediately began expanding overseas, starting new businesses in Shanghai, Busan and Hong Kong within the same year and then in Paris, London and New York by the following year (1880). Even in the United Kingdom, where the modern insurance industry had historically developed, the company boldly established itself and succeeded in substantially increasing its premium revenue. This global perspective of taking on business challenges, whether in Japan or overseas, has been present in Tokio Marine Group since its founding.

Around 1894, overseas claims payments were increasing unsustainably because the company was unable to precisely underwrite policies on high-risk items, and as a result Tokio Marine fell into a financial crisis. Eiichi Shibusawa and the other founders selected Kenkichi Kagami, then a 26-year-old employee in Tokyo, to go to London to further investigate the situation. Mr. Kagami was able to not only identify the underlying causes but also exceeded expectations by planning and executing improvement measures, through which he succeeded in rebuilding the overseas business in just five years. Mr. Kagami's example as an employee who resolves issues from a global perspective and then carries out innovations that lead to growth is precisely the type of leadership that has led Tokio Marine Group's development through its 136-year history. Mr. Kagami later wrote down his impressions and thoughts in his "Guidelines for Employees Dispatched Overseas", which continues to be widely read in Tokio Marine Group to this day.

Kenkichi Kagami

Born in 1868 and joined Tokio Marine Insurance Company in 1891. He was sent by the company to travel alone to the United Kingdom, where he successfully rebuilt the insurance business. He continued to give his utmost thereafter, and was appointed Chairman of the Board in 1925. He was instrumental in the establishment and operation of the Dai-Nippon Fire Insurance Association and the Japan Marine Underwriters' Association as a leading manager in the non-life insurance industry. He was also active in the business community as a representative of Mitsubishi companies, and was appointed by the Emperor to the House of Peers of the Diet. He died in 1939 at the age of 71.

Net Premiums Written in the International Insurance Business



Although the company's businesses underwent major changes during the period of reconstruction and then economic growth following the Second World War, it was able to negotiate its way through those times, and today the international business is growing dramatically. More recently, since 2000 we have aggressively expanded into business for non-Japanese customers, starting initially by strengthening the reinsurance business with the establishment of Tokio Millennium Re. Next, with the success of large-scale acquisitions including Philadelphia, Kiln and Delphi, we have added strong businesses in each region and first-rate talent to the Group. As a result, net premiums written exceeded 1 trillion yen and adjusted earnings exceeded 100 billion yen in fiscal 2014.

The driving force of our overseas business expansion is the regular, ongoing development of human resources with the Tokio Marine spirit of a global perspective inspired by Mr. Kagami. For overseas members who have newly joined the Group, that driving force comes from building strong relationships of mutual understanding by conveying and sharing the "Good Company" philosophy.

To push this perspective into the future, we will always continue our efforts to develop people who are active globally.

Experience for Each Employee

Each year since 2012, Tokio Marine & Nichido has conducted global training for third-year employees to develop employees with a global perspective who can actively participate and contribute, whether in Japan or overseas. Specifically, trainees are split up and dispatched to regions worldwide, mainly to Group offices overseas, to learn the international insurance business on-site while understanding different cultures and accumulating experience in each region. This training provides an opportunity to internalize the basics of thinking at all times from a global perspective. In addition, employees in their fourth year and later are provided further opportunities to broaden their viewpoints and improve their abilities through measures such as dispatch overseas as a trainee or for continued study at universities around the world.

In addition, we provide opportunities to further cultivate a global perspective with a view to fostering future management leaders. There are many programs in place, including training programs held internally at Tokio Marine Holdings to develop global leaders. In our global leadership training for overseas Group employees, we conduct visits to the areas impacted by the Great East Japan Earthquake and hold discussions with agencies and employees there to deepen participants' understanding of the "Good Company" concept, as well as promote understanding of business strategies and build global networks, all while developing leadership.

This forms yet another example of how the Tokio Marine Group is carrying on the spirit it inherited from those who came before to help build systems to develop the human resources who will strive to make the "Good Company" concept a reality.

Tokio Marine Group has already empowered many employees without regard to nationality or gender, and continues to further expand its diversity, for example by increasing the number of non-Japanese employees in Japan. To continue to respond to the needs of our stakeholders, we will incorporate a variety of values and further enhance the development of employees who can provide value from a global perspective.

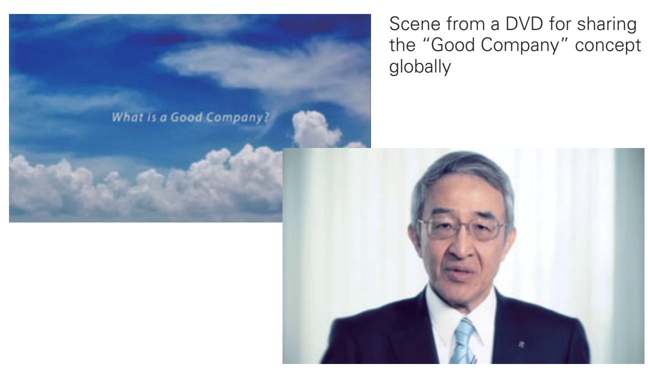
Worldwide Team

With the rapid expansion of international business, the diversity of Tokio Marine Group employees who are working worldwide is on the rise. Under these circumstances, increasing Group cohesion so that each employee feels a sense of unity, dedication and motivation has become a more important theme. To realize this objective, we are promoting the worldwide adoption of our shared vision of becoming a "Good Company" as both a connection within the Group and also as a tie that secures it.

Specifically, at Tokio Marine Holdings, we hold global leadership training, present webcasts and conduct other measures so that each employee shares a deeper understanding of the "Good Company" concept, and relates and applies it inside and also outside of their businesses.

Overseas offices also independently conduct various programs to become a "Good Company". One example is that since 2013, teams in each workplace in China have held repeated discussions under the name "*Haogonsu* (Good Company) Movement" to establish five core values. They also have been working so that they take root and spread throughout the entire company.

Through these measures and more, we will work to produce many people with pride and a sense of mission who generate the power to support global growth and spread the "Good Company" concept worldwide.



Scene from a DVD for sharing the "Good Company" concept globally


"*Haogonsu* Day", held once a month


Distribution of material for "*Haogonsu* Movement"

Management System

Directors

① Shuzo Sumi
Representative Director and Chairman of the Board

② Tsuyoshi Nagano
Representative Director, President & Chief Executive Officer

③ Masashi Oba
Representative Director and Executive Vice President

④ Ichiro Ishii
Representative Director and Senior Managing Director

⑤ Hirokazu Fujita
Managing Director

⑥ Takayuki Yuasa
Managing Director

⑦ Shinichi Hirose
Director

⑧ Akio Mimura
Outside Director

⑨ Mikio Sasaki
Outside Director

⑩ Masako Egawa
Outside Director

Audit & Supervisory Board Members

⑪ Takaaki Tamai
Audit & Supervisory Board Member (Full-Time)

⑫ Takashi Ito
Audit & Supervisory Board Member (Full-Time)

⑬ Yuko Kawamoto
Outside Audit & Supervisory Board Member

⑭ Akinari Horii
Outside Audit & Supervisory Board Member

⑮ Akihiro Wani
Outside Audit & Supervisory Board Member

Directors and Audit & Supervisory Board Members

Directors

Shuzo Sumi
Representative Director and Chairman of the Board

April 1970 Joined Tokio Marine
June 2000 Director and Chief Representative in London, Overseas Division of Tokio Marine
June 2002 Managing Director of Tokio Marine
Oct. 2004 Managing Director of Tokio Marine & Nichido
June 2005 Senior Managing Director of Tokio Marine & Nichido
June 2007 President & Chief Executive Officer of Tokio Marine & Nichido
June 2007 President & Chief Executive Officer of Tokio Marine Holdings
June 2013 Chairman of the Board of Tokio Marine & Nichido (to present)
June 2013 Chairman of the Board of Tokio Marine Holdings (to present)

Tsuyoshi Nagano
Representative Director, President & Chief Executive Officer

April 1975 Joined Tokio Marine
June 2003 Executive Officer and General Manager of Nagoya Production Dept. III, Tokai Division of Tokio Marine
Oct. 2004 Executive Officer and General Manager of Nagoya Production Dept. III of Tokio Marine & Nichido
June 2006 Managing Executive Officer of Tokio Marine & Nichido
June 2008 Managing Director and General Manager of Corporate Planning Dept. of Tokio Marine & Nichido
June 2008 Director of Tokio Marine Holdings
June 2009 Resigned from position as Director of Tokio Marine Holdings
June 2010 Senior Managing Director of Tokio Marine & Nichido
June 2011 Senior Managing Director of Tokio Marine Holdings
Feb. 2012 Senior Managing Director and General Manager of International Business Development Dept. of Tokio Marine Holdings
June 2012 Executive Vice President of Tokio Marine & Nichido
June 2012 Executive Vice President and General Manager of International Business Development Dept. of Tokio Marine Holdings
June 2013 President & Chief Executive Officer of Tokio Marine & Nichido (to present)
June 2013 President & Chief Executive Officer of Tokio Marine Holdings (to present)

Masashi Oba
Representative Director and Executive Vice President

April 1978 Joined Tokio Marine
June 2007 Executive Officer and General Manager of Corporate Accounting Dept. of Tokio Marine & Nichido
June 2009 Executive Officer and General Manager of Corporate Accounting Dept. of Tokio Marine Holdings
June 2010 Managing Director of Tokio Marine & Nichido
June 2010 Managing Director of Tokio Marine Holdings
June 2013 Resigned from position as Managing Director of Tokio Marine & Nichido
April 2014 Senior Managing Director of Tokio Marine Holdings
April 2015 Executive Vice President of Tokio Marine Holdings (to present)

Ichiro Ishii
Representative Director and Senior Managing Director

April 1978 Joined Tokio Marine
June 2010 Executive Officer and General Manager of International Business Development Dept. of Tokio Marine Holdings
June 2013 Managing Executive Officer of Tokio Marine & Nichido
June 2013 Managing Executive Officer of Tokio Marine Holdings
Dec. 2013 Resigned from position as Managing Executive Officer of Tokio Marine & Nichido
April 2015 Senior Managing Executive Officer of Tokio Marine Holdings
June 2015 Senior Managing Director of Tokio Marine & Nichido (to present)
June 2015 Senior Managing Director of Tokio Marine Holdings (to present)

Hirokazu Fujita
Managing Director

April 1980 Joined Tokio Marine
June 2011 Executive Officer and General Manager of Corporate Accounting Dept. of Tokio Marine & Nichido
June 2011 Executive Officer and General Manager of Corporate Accounting Dept. of Tokio Marine Holdings
June 2012 Managing Director and General Manager of Corporate Accounting Dept. of Tokio Marine & Nichido
June 2012 Managing Director and General Manager of Corporate Accounting Dept. of Tokio Marine Holdings
July 2013 Managing Director of Tokio Marine & Nichido (to present)
July 2013 Managing Director of Tokio Marine Holdings (to present)

Takayuki Yuasa
Managing Director

April 1981 Joined Tokio Marine
June 2012 President of Tokio Marine & Nichido Financial Life
Sep. 2014 Resigned from position as President of Tokio Marine & Nichido Financial Life
Oct. 2014 Managing Executive Officer of Tokio Marine Holdings
June 2015 Managing Director of Tokio Marine & Nichido (to present)
June 2015 Managing Director of Tokio Marine Holdings (to present)

Shinichi Hirose
Director

April 1982 Joined Tokio Marine
June 2013 Managing Director of Tokio Marine & Nichido Life
April 2014 President of Tokio Marine & Nichido Life (to present)
June 2014 Director of Tokio Marine Holdings (to present)

Akio Mimura
Outside Director

April 1963	Joined Fuji Iron and Steel Co., Ltd.
June 1993	Director of Nippon Steel Corporation
April 1997	Managing Director of Nippon Steel Corporation
April 2000	Representative Director and Executive Vice President of Nippon Steel Corporation
April 2003	Representative Director and President of Nippon Steel Corporation
April 2008	Representative Director and Chairman of Nippon Steel Corporation
June 2010	Director of Tokio Marine Holdings (Outside Director, to present)
Oct. 2012	Director, Member of the Board and Senior Advisor of Nippon Steel & Sumitomo Metal Corporation
June 2013	Senior Advisor of Nippon Steel & Sumitomo Metal Corporation
Nov. 2013	Senior Advisor, Honorary Chairman of Nippon Steel & Sumitomo Metal Corporation (to present)

Takashi Ito
Audit & Supervisory Board Member (Full-Time)

April 1980	Joined Tokio Marine
June 2011	Executive Officer and General Manager of Corporate Planning Dept. of Tokio Marine Holdings
June 2013	Managing Director of Tokio Marine & Nichido
June 2013	Managing Director of Tokio Marine Holdings
June 2015	Resigned from position as Managing Director of Tokio Marine & Nichido
June 2015	Resigned from position as Managing Director of Tokio Marine Holdings
June 2015	Audit & Supervisory Board Member (Full-Time) of Tokio Marine Holdings (to present)

Mikio Sasaki
Outside Director

April 1960	Joined Mitsubishi Corporation
June 1992	Director of Mitsubishi Corporation
June 1994	Managing Director of Mitsubishi Corporation
April 1998	President of Mitsubishi Corporation
April 2004	Chairman of the Board of Mitsubishi Corporation
June 2010	Director and Senior Corporate Advisor of Mitsubishi Corporation
June 2011	Senior Corporate Advisor of Mitsubishi Corporation (to present)
June 2011	Director of Tokio Marine Holdings (Outside Director, to present)

Yuko Kawamoto
Outside Audit & Supervisory Board Member

April 1982	Joined The Bank of Tokyo, Ltd.
Sep. 1988	Joined McKinsey & Company, Tokyo Office
April 2004	Professor, Graduate School of Finance, Accounting and Law, Waseda University (to present)
June 2006	Audit & Supervisory Board Member of Tokio Marine Holdings (Outside Audit & Supervisory Board Member, to present)

Masako Egawa
Outside Director

April 1980	Joined Citibank, N.A., Tokyo Branch
Sep. 1986	Joined Salomon Brothers Inc, New York Head Office
June 1988	Joined Salomon Brothers Asia Limited, Tokyo Branch
Dec. 1993	Joined S.G. Warburg Securities, Tokyo Branch
Nov. 2001	Executive Director, Japan Research Center, Harvard Business School
April 2009	Executive Vice President, The University of Tokyo
March 2015	Resigned from position as Executive Vice President, The University of Tokyo
June 2015	Director of Tokio Marine Holdings (Outside Director, to present)

Akinari Horii
Outside Audit & Supervisory Board Member

April 1974	Joined Bank of Japan
July 2002	Director-General of the International Department of Bank of Japan
June 2006	Assistant Governor of Bank of Japan
June 2010	Resigned from position as Assistant Governor of Bank of Japan
July 2010	Special Advisor of The Canon Institute for Global Studies
Dec. 2010	Director and Special Advisor of The Canon Institute for Global Studies (to present)
June 2011	Audit & Supervisory Board Member of Tokio Marine Holdings (Outside Audit & Supervisory Board Member, to present)

Audit & Supervisory Board Members

Takaaki Tamai
Audit & Supervisory Board Member (Full-Time)

April 1975	Joined Tokio Marine
June 2003	Executive Officer and General Manager, Overseas Division of Tokio Marine
Oct. 2004	Executive Officer and General Manager in charge of Asia region of Tokio Marine & Nichido
June 2006	Managing Director and General Manager of Corporate Planning Dept. of Tokio Marine & Nichido
June 2006	Director of Tokio Marine Holdings
June 2008	Managing Director of Tokio Marine & Nichido
June 2008	Resigned from position as Director of Tokio Marine Holdings
June 2010	Senior Managing Director of Tokio Marine & Nichido
June 2011	Senior Managing Director of Tokio Marine Holdings
June 2012	Resigned from position as Senior Managing Director of Tokio Marine & Nichido
June 2012	Executive Vice President of Tokio Marine Holdings
June 2013	Executive Vice President of Tokio Marine & Nichido
June 2014	Resigned from position as Executive Vice President of Tokio Marine & Nichido
June 2014	Resigned from position as Executive Vice President of Tokio Marine Holdings
June 2014	Audit & Supervisory Board Member (Full-Time) of Tokio Marine Holdings (to present)

Akihiro Wani
Outside Audit & Supervisory Board Member

April 1979	Admitted to Japanese Bar (to present)
May 1987	Mitsui, Yasuda, Wani & Maeda
Dec. 2004	Linklaters
May 2014	Ito & Mitomi (Morrison & Foerster LLP)
June 2014	Audit & Supervisory Board Member of Tokio Marine Holdings (Outside Audit & Supervisory Board Member, to present)

Interview with an Outside Audit & Supervisory Board Member

Tokio Marine Holdings' Board of Directors has a long history of incorporating outside officers. I believe it has been accumulating experience and demonstrating its effectiveness in utilizing outside officers to enhance the functions of its corporate governance.

Yuko Kawamoto
Outside Audit & Supervisory Board Member

Joined The Bank of Tokyo in 1982. Joined McKinsey & Company, Tokyo Office, in 1988. Professor, Graduate School of Finance, Accounting and Law, Waseda University. Audit & Supervisory Board Member of Tokio Marine Holdings since June 2006.

Q1. What are your day-to-day aims as an Outside Audit & Supervisory Board Member?

The principal work of an Audit & Supervisory Board Member is to audit the Directors' execution of their duties. I do this so that they can make appropriate management decisions. This contributes to enhancing corporate value while ensuring sound and fair management.

I believe the role of outside officers is to provide diverse views and an awareness that tends to be overlooked in exclusively internal discussions. For that purpose, I try to focus on bringing up the right questions that are straight to the point to contribute to constructive discussions at Board of Directors meetings. Also, when discussing matters that everyone is thoroughly familiar with inside the company, if there is some doubt whether it would be properly understood outside the company, I believe it is my duty to point that out, even if it is challenging. By stimulating debate, management is likely to reach a better decision by taking various risks into consideration. Of course, in order to do so, I do my best to understand Tokio Marine Group's operations, businesses and workplaces.

Q2. You have been involved in Tokio Marine Holdings' management as an Outside Audit & Supervisory Board Member for a long time (9 years). How has Tokio Marine Group's corporate governance changed, and how do you evaluate its current state?

Tokio Marine Holdings' Board of Directors has a long history of incorporating outside officers. I believe it has been accumulating experience and demonstrating its effectiveness in utilizing outside officers to enhance the functions of its corporate governance. Discussions at Board of Directors meetings are lively, and the frankness and transparency that enables one to speak freely is a characteristic of Tokio Marine Holdings. For example, in formulating the new Mid-Term Business Plan, the Board of Directors was involved in discussions from an early stage, and shaped the discussions while listening to external opinions. I can say that this is a progressive example among Japanese corporations.

When the points at issue become clear during lively discussions and we modify our conclusions, this is the moment when I realize that Board discussions are not merely a formality. If I were to mention a point where we can continue to improve, I would suggest that we increase opportunities to be exposed to new information and new ways of thinking, for example by attending international conferences – in other words, it is important to increase interaction with people from different fields. I believe this will lead to better governance.

Q3. Do you have any advice for Tokio Marine Group on continuously increasing corporate value toward its aim of becoming a "Good Company"?

Tokio Marine Group has significantly expanded in a wide range of areas including the proportion of sales and income accounted for by its international insurance business, its customer base and the number of employees. From the former business centered on domestic operations, its business base and the very environment in which it operates have become increasingly global. In this situation, it has become increasingly important to incorporate and appropriately manage diversity as a new strength in its organization, corporate culture and management, and to link it to enhancement in corporate value. Under these circumstances, measures for continuous innovation, training global personnel and innovations in working style (pursuit of diverse working styles to achieve a work-life balance through efficiency) are top priority issues. I believe that a women-friendly workplace is a workplace that it usually comfortable for anyone, because most have fair and transparent evaluation systems. I would like Tokio Marine Group to continue striving toward a global level of diversity and to look to other global companies as the benchmark.

The commitment of the insurance business to be there for clients in their moment of need, and a vision and corporate philosophy of being a "Good Company" with customer trust as the source of corporate value creation, is the basis of increasing the fairness and soundness of a company. I value this as a potential driving force for continuously enhancing corporate value.

Fundamental Corporate Governance Policy

Tokio Marine Holdings, Inc. (“the Company”) is committed to the continuous enhancement of corporate value by fulfilling its responsibilities to shareholders, customers, society, employees and other stakeholders as set forth in the “Tokio Marine Group Corporate Philosophy”. For this purpose, the Company hereby establishes a sound and transparent corporate governance system and, as a holding company, recognizes the importance of appropriate control over its Group companies and has formulated the “Tokio Marine Holdings Fundamental Corporate Governance Policy” based on Japan’s Corporate Governance Code.

Rights of Shareholders and Securing Fairness

The Company shall maintain an environment in which voting rights at General Meetings of Shareholders can be appropriately executed. Specific initiatives include issuing the Notice of Convocation well in advance of the meeting, scheduling the meeting on days that are not crowded with the shareholder meetings of other companies, and using a website that allows shareholders to exercise their voting rights via the Internet. In addition, the Company shall handle the exercise of voting rights in a fair manner, based on the type and number of shares held.

Business-related equities are implemented by a portion of the Company’s business subsidiaries (companies at which the Company directly holds a majority of voting rights) with the intent of strengthening transaction relationships, held with the intent to improve corporate value of the Group. However, the Company will continue to improve its capital to items that are not easily affected by fluctuations in share price, and from the viewpoint of improving capital efficiency, continue to work to reduce the total amount.

Appropriate Cooperation with Stakeholders Other Than Shareholders

The Company shall define the “Tokio Marine Group Corporate Philosophy”, and respond to the trust of shareholders through global business expansion that incorporates profitability, growth, and soundness, providing safety and security to customers, and establishing a corporate environment that encourages creativity from employees. Through contributing to the development of society on a wide scale, the Company shall work to perpetually improve its corporate value.

Appropriate Information Disclosure and Securing of Transparency

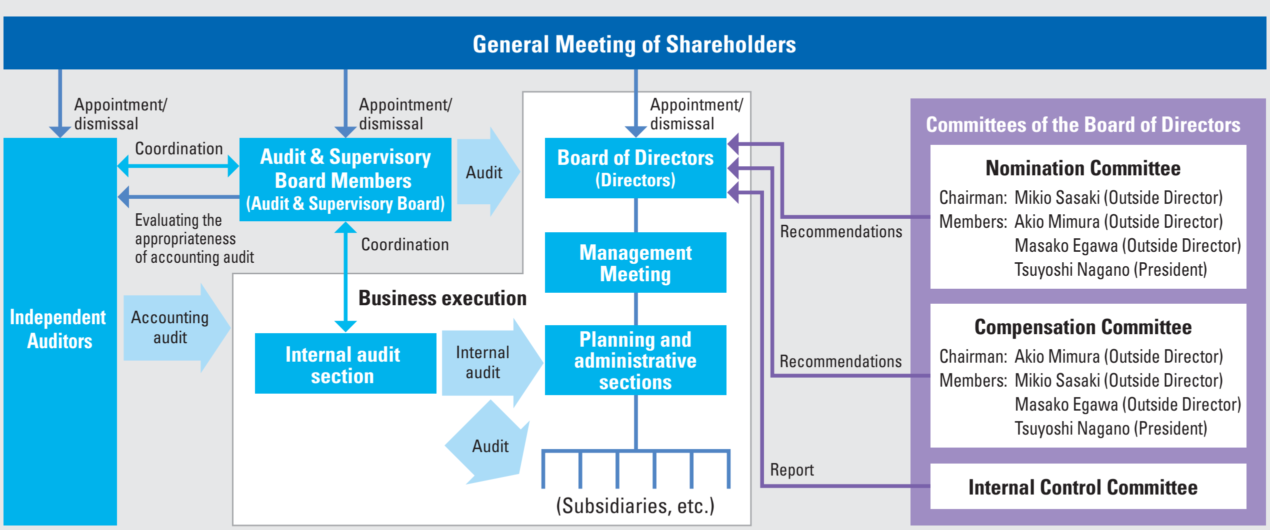
The Company shall define the “Tokio Marine Group Basic Policies for Disclosure”, and with the aim of securing transparency and fairness in management, shall disclose appropriate information at the appropriate time regarding financial information such as business results, etc., corporate principles, and non-financial information such as business plans.

Responsibilities of the Board of Directors, etc.

The Company’s management organization aims to raise the effectiveness of audits and surveillance by having managers who execute business duties fulfill their responsibilities to provide explanations to Outside Directors and Outside Audit & Supervisory Board Members (collectively, “Outside Officers”) at meetings of the Board of Directors and other opportunities.

Moreover, the Company has set up the Nomination Committee and the Compensation Committee, which consist mainly of Outside Directors, to raise the transparency of the processes for selecting as well as determining compensation

Overview of the Corporate Governance System of Tokio Marine Holdings



for Directors, Executive Officers and Audit & Supervisory Board Members of the Company and principal business subsidiaries. The Company believes this is the optimal system at the present time.

(1) Directors and the Board of Directors

The Board of Directors is responsible for decisions on important matters relating to the execution of the Company's business, supervising the performance of individual Directors and establishing an effective internal control system. In addition, as the Board of Directors of a holding company, the board is responsible for determining mid-to-long-term business strategies and various basic business policies such as the Basic Policies for Internal Controls for Tokio Marine Group.

The Company shall define Rules of the Board of Directors, and define the content of significant business execution to be determined by the Board of Directors. The Company shall entrust decision-making to Executive Officers of matters that do not require decisions to be made by the Board of Directors.

The Company shall have approximately 10 Directors, with a maximum of 15 set by the Articles of Incorporation. As a general rule, the Company shall have at least three Outside Directors. In addition, Directors are appointed for a term of office of one year and may be re-appointed. As of March 31, 2015, the Company had 10 Directors, of whom three were Outside Directors.

(2) Audit & Supervisory Board Members and the Audit & Supervisory Board

Audit & Supervisory Board Members, as an independent body entrusted by shareholders, audit the performance of Directors, with the aim of ensuring sound and fair management and accountability. Audit & Supervisory Board Members shall endeavor to conduct a high-quality audit in accordance with the regulations of the Audit & Supervisory Board, auditing standards, auditing policies and auditing plans determined by the Audit & Supervisory Board.

The Company shall have approximately five Audit & Supervisory Board Members, with a maximum of six set by the Articles of Incorporation. As a general rule, a majority shall be Outside Audit & Supervisory Board Members. As of March 31, 2015, the Company had five Audit & Supervisory Board Members, of whom three were Outside Audit & Supervisory Board Members.

(3) Outside Officers

The presence of Outside Directors ensures effective supervision of director performance by the Board of Directors. In addition, Outside Directors are management experts who provide advice to the Board of Directors on issues including Company management, thus ensuring an organization that enables appropriate decisions on important matters relating to the execution of the Company's business.

Concurrent Posts, Attendance and Other Information for Outside Officers (As of July 2015)

	Name	Tenure[1]	Concurrent Posts and Other Information	Reason for Appointment	Attendance
Outside Directors	Akio Mimura	5 years	Senior Advisor, Honorary Chairman, Nippon Steel & Sumitomo Metal Corporation Director, Japan Post Holdings Co., Ltd. (Outside Director) Director, Development Bank of Japan Inc. (Outside Director) Director, Innovation Network Corporation of Japan (Outside Director) Director, Nisshin Seifun Group Inc. (Outside Director) Chairman, The Japan Chamber of Commerce and Industry Chairman, The Tokyo Chamber of Commerce and Industry	Expected to fulfill his supervisory functions based on his insight as a company manager, acquired through many years of experience in a management role.	Attended 8 of the 12 meetings of the Board of Directors in fiscal 2014 (including 8 of the 10 regular meetings of the Board of Directors)
Outside Directors	Mikio Sasaki	4 years	Senior Corporate Advisor, Mitsubishi Corporation Director, Mitsubishi Motors Corporation (Outside Director) Director, Mitsubishi Electric Corporation (Outside Director) Director, Mitsubishi Research Institute, Inc. (Outside Director)	Expected to fulfill his supervisory functions based on his insight as a company manager, acquired through many years of experience in a management role.	Attended 11 of the 12 meetings of the Board of Directors in fiscal 2014 (including 9 of the 10 regular meetings of the Board of Directors)
Outside Directors	Masako Egawa[2]	—	Director, Mitsui Fudosan Co., Ltd. (Outside Director) Director, Asahi Glass Company, Limited (Outside Director)	Expected to fulfill her supervisory functions based on her insight as a specialist in business management, acquired through many years of experience at financial institutions, involvement in academic activities related to corporate governance, and experience at The University of Tokyo as an Executive Vice President.	—
Outside Audit & Supervisory Board Members	Yuko Kawamoto	9 years	Professor, Graduate School of Finance, Accounting and Law, Waseda University Director, Mitsubishi UFJ Financial Group, Inc. (Non-management Director)	Expected to fulfill her audit functions based on her insight into business management acquired through many years of experience as a consultant and involvement in academic activities.	Attended 9 of the 12 meetings of the Board of Directors (including 8 of the 10 regular meetings of the Board of Directors) and 9 of the 11 meetings of the Audit & Supervisory Board in fiscal 2014
Outside Audit & Supervisory Board Members	Akinari Horii	4 years	Director and Special Advisor of The Canon Institute for Global Studies	Expected to fulfill his audit functions based on his insight acquired through many years of experience in his role as an executive or regular employee of the Bank of Japan.	Attended all 12 meetings of the Board of Directors and all 11 meetings of the Audit & Supervisory Board in fiscal 2014
Outside Audit & Supervisory Board Members	Akihiro Wani	1 year	Attorney-at-law	Expected to fulfill his audit functions based on his insight as a specialist in corporate legal affairs acquired through many years of experience as an attorney-at-law.	Attended all 8 meetings of the Board of Directors and all 9 meetings of the Audit & Supervisory Board held in fiscal 2014 after his appointment

Notes: 1. Tenure as of the close of the Ordinary General Meeting of Shareholders convened on June 29, 2015.
2. Because Ms. Masako Egawa was newly appointed at the Ordinary General Meeting of Shareholders convened on June 29, 2015, her tenure and attendance are not presented.

The presence of Outside Audit & Supervisory Board Members creates an auditing organization with an independent and objective perspective. In addition, it enhances the effectiveness of the Audit & Supervisory Board and ensures an organization that maintains sound, transparent management.

An Outside Officer for whom none of the following is applicable may be selected to ensure his or her perspective is independent of the Company.

1. A manager, former manager, employee, or former employee of the Company
2. A manager or employee of a company with which the Company has significant transactions (or has had in the recent past)
3. A person related to a Director or Audit & Supervisory Board Member of the Company
4. A person in an advisory role who has been receiving a large sum, or has received in the recent past, of compensation from the Company other than due to performance of duties as Director or Audit & Supervisory Board Member

The Company currently has three Outside Directors and three Outside Audit & Supervisory Board Members. With reference to the above criteria*, the Company has been able to determine their independence from it and has therefore filed declarations naming all six of them as independent directors/auditors as prescribed by the Tokyo Stock Exchange.

* Group companies conduct insurance-related transactions with certain companies at which Outside Officers formerly served. However, these transactions constitute less than one percent of consolidated ordinary income.

(4) Nomination Committee and Compensation Committee

The Company has established the Nomination Committee and the Compensation Committee, which consist mainly of Outside Directors, to raise the transparency of the processes for selecting as well as determining compensation for Directors, Audit & Supervisory Board Members and Executive Officers of the Company and principal business subsidiaries.

The Nomination Committee reports to the Board of Directors. It deliberates on the requirements for and the appointment and dismissal of candidate Directors, Audit & Supervisory Board Members, and Executive Officers of the Company and principal business subsidiaries.

The Compensation Committee reports to the Board of Directors. Its duties include deliberating on the compensation system and evaluating the performance of Directors and Executive Officers of the Company and principal business subsidiaries.

The Nomination Committee and the Compensation Committee generally consist of approximately five members each. As a general rule, a majority of the members of each committee are selected from outside of the Company, and the chairman of each committee is one of the outside members.

(5) Policies for Determining the Method for Calculating Compensation for Directors, Audit & Supervisory Board Members and Executive Officers

Basic policies for determining compensation for Directors and Audit & Supervisory Board Members of the Company and its principal Group companies are as follows:

- Ensure “transparency”, “fairness” and “objectivity” regarding compensation for Directors, Audit & Supervisory Board Members and Executive Officers;
- Strengthen incentives for improving the business performance of the Company by introducing a performance-linked compensation system;
- Enhance accountability through sharing returns with shareholders by introducing a compensation system linked to meeting the Company’s business results indices based on the management strategy and Company share price; and
- Fully implement a performance-based pay system through processes designed to objectively evaluate individual performance of Directors (Full-Time) and Executive Officers with respect to management objectives.

In order to determine the level of compensation for Directors, Audit & Supervisory Board Members and Executive Officers, the Company shall set the standard of compensation for each position, depending on the responsibilities of Directors, Audit & Supervisory Board Members and Executive Officers, and take the business performance of the Company and the level of compensation of other companies into consideration.

Based on ability to meet business results indices, etc., defined by the management strategy, evaluations on business results shall be made on a yearly basis at the Company and principal business subsidiaries, and the results of such evaluations will be incorporated into compensation for Directors, Audit & Supervisory Board Members and Executive Officers of the Company and the relevant business subsidiaries.

(6) Compensation System for Directors, Audit & Supervisory Board Members and Executive Officers of Tokio Marine Group

Compensation for Directors (Full-Time) and Executive Officers consists of three elements: fixed compensation, bonuses related to the business performance of the Company and the performance of the individual, and stock options. Compensation for Directors (Part-Time) consists of two elements: fixed compensation and stock options. Compensation for Audit & Supervisory Board Members consists of one element: fixed compensation. The compensation system for Directors, Audit & Supervisory Board Members and Executive Officers of the Company’s principal business subsidiaries shall generally be identical to that applied to Directors, Audit & Supervisory Board Members and Executive Officers of the Company.

The Board of Directors makes decisions regarding the above compensation system based on reports from the Compensation Committee.

Total Compensation for Directors and Audit & Supervisory Board Members for Fiscal 2014

Position	Total Compensation (Millions of yen)	Breakdown of Compensation (Millions of yen)		Number of Directors and Audit & Supervisory Board Members
		Monetary compensation	Stock options	
Directors (excluding Outside Directors)	305	256	49	9
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	72	72	—	3
Outside Officers	60	54	5	7

Total Compensation for Directors and Audit & Supervisory Board Members Exceeding ¥100 Million on a Consolidated Basis in Fiscal 2014

Name	Position	Company	Breakdown of Compensation (Millions of yen)		Total Compensation on a Consolidated Basis (Millions of yen)
			Monetary compensation	Stock options	
Shuzo Sumi	Director	Tokio Marine Holdings, Inc.	51	9	116
	Director	Tokio Marine & Nichido Fire Insurance Co., Ltd.	45	9	
Tsuyoshi Nagano	Director	Tokio Marine Holdings, Inc.	59	11	134
	Director	Tokio Marine & Nichido Fire Insurance Co., Ltd.	52	11	

Conversation with Shareholders

The Company has the following policies for conducting constructive conversations with its shareholders.

(1) System for Promoting Constructive Conversation with Shareholders

The Company shall establish Executive Officers in charge of business execution to conduct overall management for conversations with shareholders, and establish an IR department to plan and implement these activities. Toward conversations with shareholders such as earnings announcements and presentation meetings for investors, etc., the IR department shall work with other relevant departments to provide accurate and truthful information to shareholders.

(2) Methods to Communication with Shareholders

Taking into account shareholding conditions and the views of shareholders, etc., the Company shall work to provide various methods to communicate with shareholders. Specific measures such as the following are handled primarily by the President and other senior management and Directors.

- Individual interviews with shareholders and investors
- IR presentations for institutional investors, conference calls for the announcement of quarterly results
- Individual investor presentations held in each region of Japan for individual investors

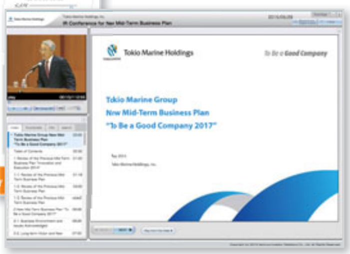
(3) Feedback of Shareholder Opinions to Management

The Company shall strive to share opinions and matters of concern obtained from conversations with shareholders and investors through semiannual reports to management and other methods.

(4) Management of Insider Information

The Company, pursuant to its "Insider Trading Prevention Regulations", shall exercise the utmost care with regard to unpublicized information, and shall have conversations with shareholders without utilizing any significant unpublicized information.

"Investor Relations" section of the Tokio Marine Holdings website
http://www.tokiomarinehd.com/en/ir/



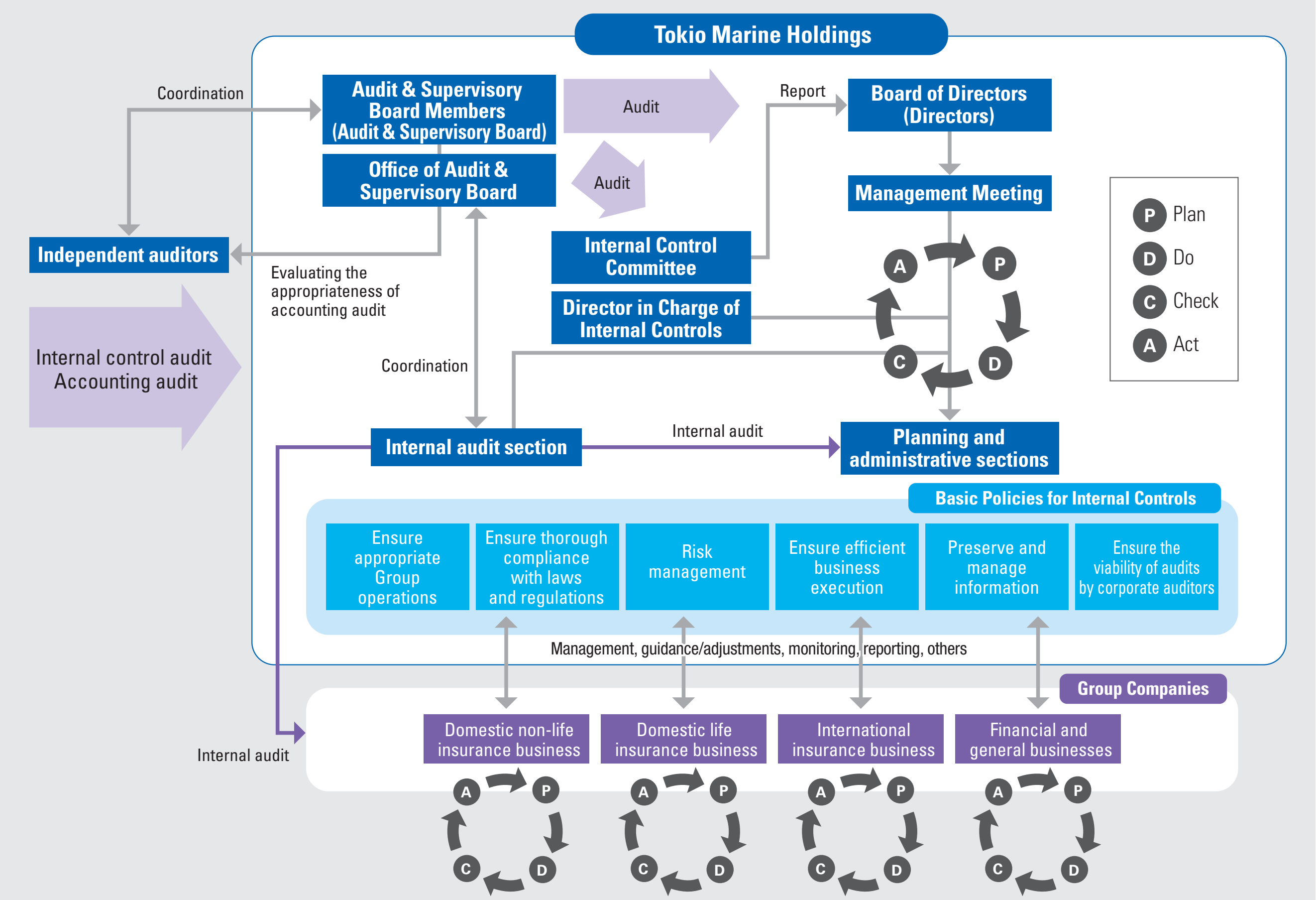
Webcast

Internal Control System and Compliance

Internal Control System

The Company has formulated "Basic Policies for Internal Controls". In accordance with these policies, the Company has established an internal control system for the entire Tokio Marine Group that encompasses structures for management control, compliance, risk management, customer protection, response to anti-social forces and internal auditing of Group companies. The Company employs this system to ensure proper operations while raising corporate value. Additionally, the Company monitors the status and practical application of its internal control system once every year. The Board of Directors confirms the details of the monitoring based on deliberations at the Internal Control Committee. In addition, the Company continually strengthens and improves its internal control system in light of the results of this monitoring.

Tokio Marine Group's Internal Control System



Compliance

Tokio Marine Group defines compliance as "observing applicable laws, rules and regulations and internal regulations and conducting fair and equitable business activities within social norms" and thoroughly implements compliance in this manner.

The Group has installed internal and external hotlines in the event that it is not appropriate for directors, officers and employees of Group companies to report and consult on an issue or potential issue in compliance through organizational channels. The Group keeps personal and other information on individuals making such reports and consultations strictly confidential according to the Whistleblower Protection Act of Japan, and ensures that individuals making such reports and consultations are not treated in a disadvantageous manner.

Risk Management

Risk Management System

To ensure financial soundness and appropriateness of business operations, Tokio Marine Group has identified the various risks surrounding it in an overall fashion and implements appropriate risk management corresponding to the nature, status and other attributes of the risks.

The Company promotes the development and enhancement of the risk management system for the entire Group in accordance with the "Tokio Marine Group's Basic Policies for Risk Management". The Company also manages quantitative risks for the Group in order to maintain credit ratings and to forestall bankruptcies in accordance with the "Tokio Marine Group's Basic Policies for Integrated Risk Management".

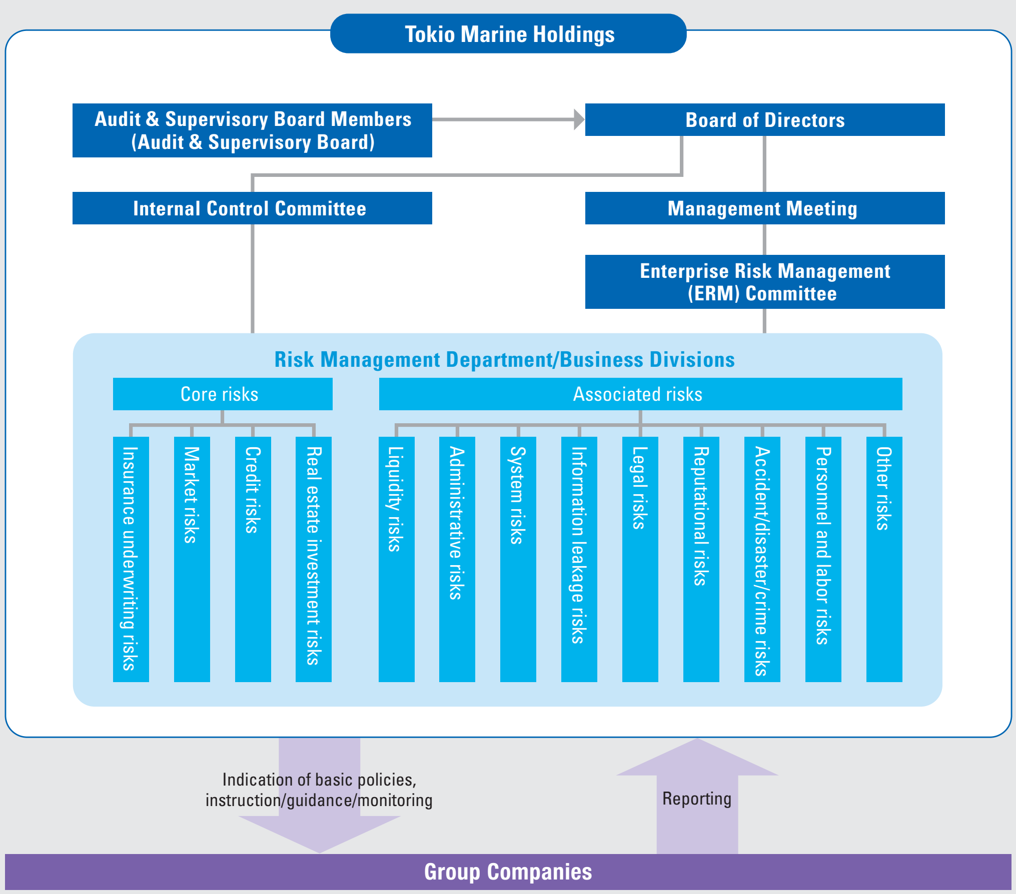
Among the various risks, the Company recognizes that insurance underwriting risks and investment risks (together with core risks) must be managed as sources of earnings. The Company therefore controls these risks considering the balance between risk and return.

The Company also identifies administrative risks, system risks and other associated risks (together with non-core risks) that arise from the Group's business activities and strives to prevent the occurrence of or reduce these risks.

Group companies establish risk management policies in line with the "Tokio Marine Group's Basic Policies for Risk Management" and execute risk management independently.

Through the above measures, the Company works to execute proper risk management and ensure stable business operations of the entire Group.

Tokio Marine Group's Risk Management System



Crisis Management System

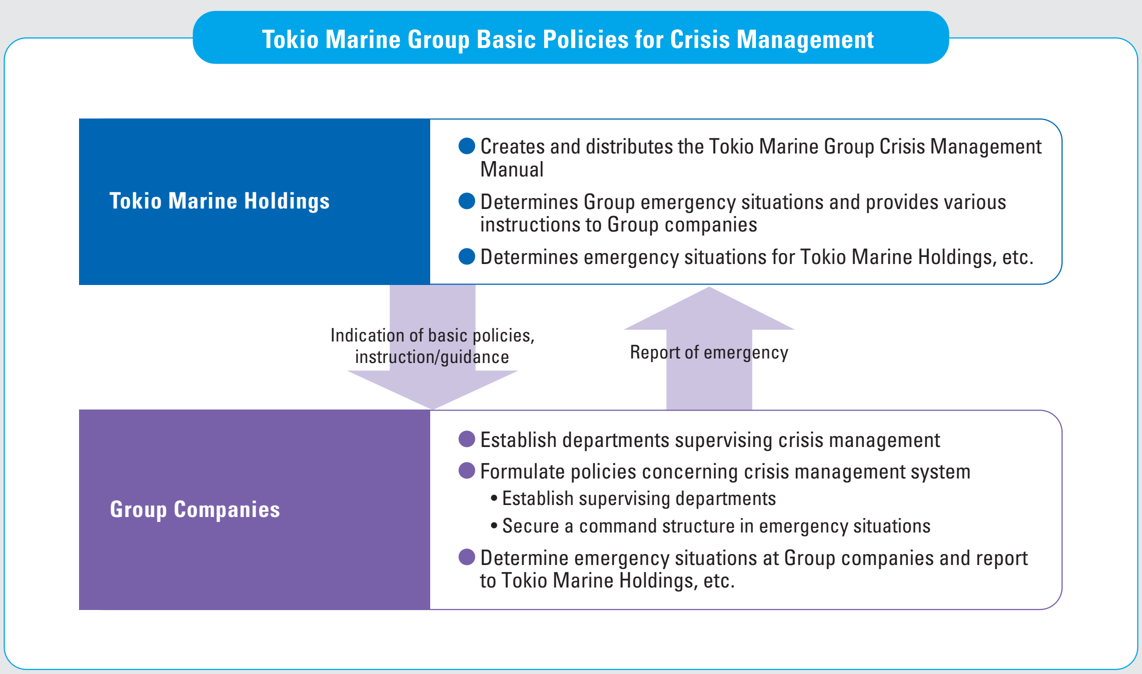
Tokio Marine Group has established a crisis management system to minimize economic losses and other impact incurred in an emergency and immediately restore ordinary business operations.

The Company has formulated the "Tokio Marine Group Basic Policies for Crisis Management" and the "Tokio Marine Group Crisis Management Manual" based on it, and has set forth the crisis management systems necessary for Group companies to carry out their own roles.

Group companies formulate crisis management policies in line with the "Tokio Marine Group Basic Policies for Crisis Management" to develop crisis management systems that include establishing a department in charge of crisis management, decision-making procedures for emergency situations and securing the chain of command. In addition to developing a crisis management system during normal conditions, the department in charge of crisis management plays the role of secretariat for response during emergency situations, including reporting to the Company.

Consequently, when conditions that may develop into an emergency situation arise, the Company has a system that determines whether these conditions correspond to an emergency situation or not as required. The Company also has a decision-making structure at Group companies so that the Company can properly instruct Group companies and make sure that necessary actions as a Group can be made.

Tokio Marine Group's Crisis Management System



Financial Data

Change in Key Business Indicators (Consolidated Basis)

(Yen in millions if not indicated specifically)

	FY2014 (April 1, 2014– March 31, 2015)	FY2013 (April 1, 2013– March 31, 2014)	FY2012 (April 1, 2012– March 31, 2013)	FY2011 (April 1, 2011– March 31, 2012)	FY2010 (April 1, 2010– March 31, 2011)
Ordinary income	**4,327,982**	4,166,130	3,857,769	3,415,984	3,288,605
Net premiums written	**3,127,638**	2,870,714	2,558,010	2,324,492	2,272,117
Ordinary profit	**358,182**	274,386	207,457	160,324	126,587
Net income	**247,438**	184,114	129,578	6,001	71,924
Comprehensive income	**997,024**	442,277	548,251	(10,558)	(196,554)
Net assets	**3,609,655**	2,739,114	2,363,183	1,857,465	1,904,477
Total assets	**20,889,670**	18,948,000	18,029,442	16,338,460	16,528,644
Consolidate solvency margin ratio (%)	**781.3**	728.4	737.0	717.8	—
Net assets per share (Yen)	**4,742.52**	3,535.84	3,051.58	2,398.66	2,460.21
Net income per share–basic (Yen)	**323.97**	239.98	168.93	7.82	92.49
Net income per share–diluted (Yen)	**323.66**	239.75	168.77	7.81	92.43
Capital ratio (%)	**17.13**	14.32	12.98	11.26	11.41
Return on equity: ROE (%)	**7.87**	7.29	6.20	0.32	3.55
Price-to-earnings ratio: PER (Ratio)	**14.01**	12.91	15.69	290.41	24.05
Net cash provided by (used in) operating activities	**684,693**	424,729	138,724	72,429	183,579
Net cash provided by (used in) investing activities	**249,155**	(168,214)	(761,058)	(200,542)	(97,121)
Net cash provided by (used in) financing activities	**(440,243)**	(346,478)	485,443	101,089	(224,723)
Cash and cash equivalents at end of year	**1,430,514**	924,499	979,389	1,092,680	1,120,399
Number of employees	**33,786**	33,310	33,006	30,831	29,758

Note: Number of employees is head-count of staff currently at work.

Financial Information

1. Preparation of Consolidated Financial Statements

The accompanying consolidated financial statements have been prepared in accordance with the Regulations Concerning Terminology, Forms and Preparation Methods of Consolidated Financial Statements (Ministry of Finance Ordinance No. 28, 1976, hereinafter called "Consolidated Statements Regulations"). The consolidated financial statements have been also prepared in conformity with the Enforcement Regulations for the Insurance Business Act (Ministry of Finance Ordinance No. 5, 1996, hereinafter called "Insurance Act Enforcement Regulations"), as stipulated under Articles 46 and 68 of the Consolidated Statements Regulations.

The Company and its domestic consolidated subsidiaries maintain their accounts and records in accordance with the provisions set forth in the Corporation Law of Japan and the Financial Instruments and Exchange Act of Japan, and in conformity with accounting principles generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards.

Amounts less than ¥1 million have been omitted in the consolidated financial statements. As a result, the total thereto does not necessarily agree with the sum of the individual account balances.

2. Auditor's Certification

Pursuant to Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act of Japan, Tokio Marine Holdings' consolidated financial statements for the fiscal year ended March 31, 2015 have been audited and certified by PricewaterhouseCoopers Aarata.

3. Conscious Steps to Achieve Appropriateness of the Consolidated Financial Statements

The Company takes conscious steps to achieve appropriateness of the consolidated financial statements. For example, the Company is a member of the Financial Accounting Standards Foundation, management and employees participate in associated seminars held by the leading accounting firms and the Company subscribes to specialized accounting books in order to provide adequate guidance and frameworks for application of financial standards. Each of those steps are taken to enable the management and employees to appropriately understand the accounting standards and to coordinate with the changes in accounting procedures.

Financial Statements of Tokio Marine Holdings and its Consolidated Subsidiaries

1 Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Yen in millions, except for %)

	Notes No.	As of March 31, 2015		As of March 31, 2014		Increase (Decrease)
		Amount	**Composition ratio (%)**	Amount	Composition ratio (%)	
Assets						
Cash and bank deposits	*4	**536,657**	**2.57**	439,368	2.32	97,288
Call loans		**402,586**	**1.93**	270,931	1.43	131,655
Receivables under resale agreements		**64,979**	**0.31**	119,974	0.63	(54,994)
Receivables under securities borrowing transactions		**24,841**	**0.12**	38,580	0.20	(13,738)
Monetary receivables bought	*4	**1,372,372**	**6.57**	877,452	4.63	494,920
Money trusts		**2,433**	**0.01**	2,897	0.02	(464)
Securities	*2*4*5*7	**15,511,017**	**74.25**	14,761,559	77.91	749,457
Loans	*3*8	**695,028**	**3.33**	373,574	1.97	321,453
Tangible fixed assets	*1	**282,766**	**1.35**	300,753	1.59	(17,986)
Land	*4	**131,704**		142,344		(10,640)
Buildings	*4	**124,450**		136,093		(11,643)
Construction in progress		**720**		1,748		(1,028)
Other tangible fixed assets		**25,892**		20,567		5,324
Intangible fixed assets		**408,915**	**1.96**	427,987	2.26	(19,071)
Software		**21,805**		17,130		4,675
Goodwill		**225,894**		250,196		(24,302)
Other intangible fixed assets		**161,215**		160,660		554
Other assets	*11	**1,529,803**	**7.32**	1,263,916	6.67	265,886
Net defined benefit assets		**408**	**0.00**	1,595	0.01	(1,186)
Deferred tax assets		**56,568**	**0.27**	64,078	0.34	(7,509)
Customers' liabilities under acceptances and guarantees		**28,295**	**0.14**	30,379	0.16	(2,084)
Allowance for doubtful accounts		**(27,005)**	**(0.13)**	(25,048)	(0.13)	(1,956)
Total assets		**20,889,670**	**100.00**	18,948,000	100.00	1,941,669
Liabilities						
Insurance liabilities		**14,328,660**	**68.59**	13,591,573	71.73	737,086
Outstanding claims	*4	**2,204,030**		1,975,880		228,149
Underwriting reserves	*4	**12,124,629**		11,615,692		508,936
Corporate bonds	*4*5	**107,077**	**0.51**	124,375	0.66	(17,298)
Other liabilities		**1,969,679**	**9.43**	1,855,409	9.79	114,269
Payables under securities lending transactions		**825,845**		876,446		(50,600)
Other liabilities	*4	**1,143,833**		978,962		164,870
Net defined benefit liabilities		**239,838**	**1.15**	221,921	1.17	17,917
Provision for retirement benefits for directors		**18**	**0.00**	37	0.00	(19)
Provision for employees' bonus		**51,615**	**0.25**	40,345	0.21	11,269
Reserves under special laws		**82,945**	**0.40**	78,763	0.42	4,181
Price fluctuation reserve		**82,945**		78,763		4,181
Deferred tax liabilities		**391,828**	**1.88**	175,793	0.93	216,035
Negative goodwill		**80,056**	**0.38**	90,286	0.48	(10,229)
Acceptances and guarantees		**28,295**	**0.14**	30,379	0.16	(2,084)
Total liabilities		**17,280,014**	**82.72**	16,208,886	85.54	1,071,128
Net assets						
Shareholders' equity						
Share capital		**150,000**		150,000		—
Retained earnings		**1,357,846**		1,231,034		126,811
Treasury shares		**(11,038)**		(6,716)		(4,321)
Total shareholders' equity		**1,496,808**	**7.17**	1,374,318	7.25	122,490
Accumulated other comprehensive income						
Unrealized gains on securities, net of taxes		**1,846,908**		1,239,658		607,249
Deferred gains (losses) on hedge transactions		**19,183**		18,222		961
Foreign currency translation adjustments		**237,201**		106,510		130,690
Remeasurements of defined benefit plans		**(21,397)**		(25,946)		4,548
Total accumulated other comprehensive income		**2,081,895**	**9.97**	1,338,444	7.06	743,450
Share acquisition rights		**2,037**	**0.01**	1,891	0.01	145
Non-controlling interests		**28,915**	**0.14**	24,459	0.13	4,455
Total net assets		**3,609,655**	**17.28**	2,739,114	14.46	870,541
Total liabilities and net assets		**20,889,670**	**100.00**	18,948,000	100.00	1,941,669

The accompanying notes are an integral part of the consolidated financial statements.

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

Consolidated Statement of Income

(Yen in millions, except for %)

	Notes No.	FY2014 (April 1, 2014– March 31, 2015)		FY2013 (April 1, 2013– March 31, 2014)		Increase (Decrease)
		Amount	Ratio (%)	Amount	Ratio (%)	
Ordinary income		**4,327,982**	**100.00**	4,166,130	100.00	161,852
Underwriting income		**3,522,420**	**81.39**	3,411,595	81.89	110,825
Net premiums written		**3,127,638**		2,870,714		256,924
Deposit premiums from policyholders		**113,965**		103,678		10,287
Investment income on deposit premiums		**52,438**		54,014		(1,575)
Life insurance premiums		**220,436**		378,043		(157,607)
Other underwriting income		**7,940**		5,145		2,795
Investment income		**717,527**	**16.58**	659,548	15.83	57,979
Interest and dividends		**364,627**		305,816		58,811
Gains on money trusts		**48**		227		(179)
Gains on trading securities		**8,392**		3,750		4,641
Gains on sales of securities		**114,727**		108,134		6,593
Gains on redemption of securities		**1,756**		990		765
Investment gains on separate accounts		**265,636**		267,275		(1,639)
Other investment income		**14,777**		27,367		(12,589)
Transfer of investment income on deposit premiums		**(52,438)**		(54,014)		1,575
Other ordinary income		**88,034**	**2.03**	94,986	2.28	(6,952)
Amortization of negative goodwill		**10,229**		10,229		0
Equity in earnings of affiliates		**304**		—		304
Other ordinary income		**77,500**		84,757		(7,256)
Ordinary expenses		**3,969,800**	**91.72**	3,891,743	93.41	78,056
Underwriting expenses		**3,231,056**	**74.66**	3,180,111	76.33	50,944
Net claims paid		**1,648,435**		1,550,225		98,209
Loss adjustment expenses	*1	**122,863**		118,886		3,977
Agency commissions and brokerage	*1	**644,620**		565,794		78,826
Maturity refunds to policyholders		**221,990**		237,751		(15,760)
Dividends to policyholders		**289**		311		(22)
Life insurance claims		**320,175**		295,959		24,216
Provision for outstanding claims		**85,043**		136,152		(51,108)
Provision for underwriting reserves		**182,990**		270,805		(87,815)
Other underwriting expenses		**4,647**		4,225		421
Investment expenses		**55,590**	**1.28**	71,254	1.71	(15,664)
Losses on money trusts		**2,506**		—		2,506
Losses on sales of securities		**11,788**		18,790		(7,001)
Impairment losses on securities		**4,564**		1,467		3,097
Losses on redemption of securities		**812**		572		239
Losses on derivatives		**28,532**		28,992		(459)
Other investment expenses		**7,385**		21,432		(14,047)
Operating and general administrative expenses	*1	**668,023**	**15.43**	627,908	15.07	40,114
Other ordinary expenses		**15,129**	**0.35**	17,075	0.41	(1,945)
Interest expenses		**6,601**		6,726		(125)
Increase in allowance for doubtful accounts		**1,607**		—		1,607
Losses on bad debts		**712**		132		579
Equity in losses of affiliates	*2	**—**		1,080		(1,080)
Amortization of deferred assets under Article 113 of the Insurance Business Act		**3,826**		3,403		423
Other ordinary expenses		**2,381**		5,733		(3,351)
Deferred expenses under Article 113 of the Insurance Business Act		**—**	**—**	(4,607)	(0.11)	4,607
Ordinary profit		**358,182**	**8.28**	274,386	6.59	83,795

(Continued on following page)

(Yen in millions, except for %)

	Notes No.	FY2014 (April 1, 2014– March 31, 2015)		FY2013 (April 1, 2013– March 31, 2014)		Increase (Decrease)
		Amount	**Ratio (%)**	Amount	Ratio (%)	
Extraordinary gains		**1,817**	**0.04**	3,314	0.08	(1,497)
Gains on disposal of fixed assets		**1,782**		2,987		(1,205)
Gains on changes in equity of subsidiaries and affiliates		**0**		29		(29)
Other extraordinary gains		**34**		296		(261)
Extraordinary losses		**22,008**	**0.51**	7,020	0.17	14,987
Losses on disposal of fixed assets		**1,500**		1,234		266
Impairment losses on fixed assets	*2	**14,147**		980		13,166
Losses on changes in equity of subsidiaries and affiliates		—		5		(5)
Provision for reserves under special laws		**4,181**		4,272		(91)
Provision for price fluctuation reserve		**4,181**		4,272		(91)
Losses on reduction of real estate		—		0		(0)
Other extraordinary losses		**2,178**		526		1,652
Income before income taxes and non-controlling interests		**337,991**	**7.81**	270,680	6.50	67,310
Income taxes–current		**65,229**	**1.51**	44,695	1.07	20,533
Income taxes–deferred		**23,414**	**0.54**	40,090	0.96	(16,676)
Total income taxes		**88,643**	**2.05**	84,786	2.04	3,856
Income before non-controlling interests		**249,347**	**5.76**	185,894	4.46	63,453
Non-controlling interests		**1,909**	**0.04**	1,779	0.04	130
Net income		**247,438**	**5.72**	184,114	4.42	63,323

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statement of Comprehensive Income

(Yen in millions, except for %)

	Notes No.	**FY2014 (April 1, 2014– March 31, 2015)**		FY2013 (April 1, 2013– March 31, 2014)		Increase (Decrease)
		Amount	**Ratio (%)**	Amount	Ratio (%)	
Income before non-controlling interests		**249,347**	**5.76**	185,894	4.46	63,453
Other comprehensive income						
Unrealized gains on securities, net of taxes		**607,578**		66,096		541,482
Deferred gains (losses) on hedge transactions		**961**		(3,699)		4,660
Foreign currency translation adjustments		**133,452**		192,057		(58,604)
Remeasurements of defined benefit plans, net of taxes		**4,567**		—		4,567
Share of other comprehensive income of affiliates accounted for by the equity method		**1,117**		1,929		(811)
Total other comprehensive income	*	**747,677**	**17.28**	256,382	6.15	491,294
Total comprehensive income		**997,024**	**23.04**	442,277	10.62	554,747
Comprehensive income attributable to:						
Owners of the parent		**992,980**		438,914		554,066
Non-controlling interests		**4,044**		3,363		681

The accompanying notes are an integral part of the consolidated financial statements.

(3) Consolidated Statement of Changes in Shareholders' Equity

FY2014 (April 1, 2014–March 31, 2015) (Yen in millions)

	Shareholders' equity			
	Share capital	Retained earnings	Treasury shares	Total shareholders' equity
Beginning balance	150,000	1,231,034	(6,716)	1,374,318
Cumulative effects of changes in accounting policies		(12,268)		(12,268)
Restated balance	150,000	1,218,765	(6,716)	1,362,049
Changes during the year				
Dividends		(61,383)		(61,383)
Net income		247,438		247,438
Purchase of treasury shares			(50,113)	(50,113)
Disposal of treasury shares		(56)	515	458
Cancellation of treasury shares		(45,276)	45,276	—
Changes in the scope of consolidation		(916)		(916)
Others		(724)		(724)
Net changes in items other than shareholders' equity				
Total changes during the year	—	139,080	(4,321)	134,759
Ending balance	150,000	1,357,846	(11,038)	1,496,808

	Accumulated other comprehensive income						
	Unrealized gains on securities, net of taxes	Deferred gains (losses) on hedge transactions	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Share acquisition rights	Non-controlling interests	Total net assets
Beginning balance	1,239,658	18,222	106,510	(25,946)	1,891	24,459	2,739,114
Cumulative effects of changes in accounting policies						(5)	(12,274)
Restated balance	1,239,658	18,222	106,510	(25,946)	1,891	24,453	2,726,839
Changes during the year							
Dividends							(61,383)
Net income							247,438
Purchase of treasury shares							(50,113)
Disposal of treasury shares							458
Cancellation of treasury shares							—
Changes in the scope of consolidation							(916)
Others							(724)
Net changes in items other than shareholders' equity	607,249	961	130,690	4,548	145	4,461	748,057
Total changes during the year	607,249	961	130,690	4,548	145	4,461	882,816
Ending balance	1,846,908	19,183	237,201	(21,397)	2,037	28,915	3,609,655

FY2013 (April 1, 2013–March 31, 2014)

(Yen in millions)

	Shareholders' equity			
	Share capital	Retained earnings	Treasury shares	Total shareholders' equity
Beginning balance	150,000	1,088,315	(7,237)	1,231,078
Cumulative effects of changes in accounting policies				—
Restated balance	150,000	1,088,315	(7,237)	1,231,078
Changes during the year				
Dividends		(44,110)		(44,110)
Net income		184,114		184,114
Purchase of treasury shares			(128)	(128)
Disposal of treasury shares		(142)	649	506
Cancellation of treasury shares				—
Changes in the scope of consolidation		3,925		3,925
Others		(1,068)		(1,068)
Net changes in items other than shareholders' equity				
Total changes during the year	—	142,719	520	143,239
Ending balance	150,000	1,231,034	(6,716)	1,374,318

	Accumulated other comprehensive income						
	Unrealized gains on securities, net of taxes	Deferred gains (losses) on hedge transactions	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Share acquisition rights	Non-controlling interests	Total net assets
Beginning balance	1,172,896	21,921	(85,226)	—	1,763	20,749	2,363,183
Cumulative effects of changes in accounting policies							—
Restated balance	1,172,896	21,921	(85,226)	—	1,763	20,749	2,363,183
Changes during the year							
Dividends							(44,110)
Net income							184,114
Purchase of treasury shares							(128)
Disposal of treasury shares							506
Cancellation of treasury shares							—
Changes in the scope of consolidation							3,925
Others							(1,068)
Net changes in items other than shareholders' equity	66,762	(3,699)	191,736	(25,946)	128	3,709	232,690
Total changes during the year	66,762	(3,699)	191,736	(25,946)	128	3,709	375,930
Ending balance	1,239,658	18,222	106,510	(25,946)	1,891	24,459	2,739,114

Note: "Others" consists mainly of reclassification adjustments of deferred tax in accordance with accounting standards adopted by foreign consolidated subsidiaries for the fiscal year ended March 31, 2015, and consists mainly of reclassification adjustments of deferred tax in accordance with accounting standards adopted by foreign consolidated subsidiaries, etc. for the fiscal year ended March 31, 2014.

The accompanying notes are an integral part of the consolidated financial statements.

(4) Consolidated Statement of Cash Flows

(Yen in millions)

	Notes No.	**FY2014 (April 1, 2014– March 31, 2015)**	FY2013 (April 1, 2013– March 31, 2014)	Increase (Decrease)
I Cash flows from operating activities				
Income before income taxes and non-controlling interests		**337,991**	270,680	67,310
Depreciation		**42,611**	42,089	521
Impairment losses on fixed assets		**14,144**	980	13,164
Amortization of goodwill		**30,140**	29,549	590
Amortization of negative goodwill		**(10,229)**	(10,229)	—
Increase (decrease) in outstanding claims		**81,094**	138,850	(57,756)
Increase (decrease) in underwriting reserves		**380,961**	347,072	33,888
Increase (decrease) in allowance for doubtful accounts		**1,341**	(14,730)	16,071
Increase (decrease) in net defined benefit liability		**7,199**	(1,041)	8,240
Increase (decrease) in provision for retirement benefits for directors		**(19)**	6	(25)
Increase (decrease) in provision for employees' bonus		**9,133**	878	8,255
Increase (decrease) in price fluctuation reserve		**4,181**	4,272	(91)
Interest and dividends		**(364,627)**	(305,816)	(58,811)
Net losses (gains) on securities		**(106,015)**	(91,848)	(14,166)
Interest expenses		**6,601**	6,726	(125)
Foreign exchange losses (gains)		**(1,570)**	(10,235)	8,665
Losses (gains) on tangible fixed assets		**(281)**	(1,769)	1,487
Equity in losses (earnings) of affiliates		**(304)**	1,080	(1,384)
Investment losses (gains) on separate accounts		**(265,636)**	(267,275)	1,639
Decrease (increase) in other assets (other than investing and financing activities)		**(195,284)**	7,894	(203,178)
Increase (decrease) in other liabilities (other than investing and financing activities)		**191,157**	(65,488)	256,645
Others		**(2,222)**	(7,693)	5,470
Subtotal		**160,366**	73,952	86,413
Interest and dividends received		**360,469**	318,322	42,147
Interest paid		**(7,609)**	(7,659)	50
Income taxes paid		**(53,374)**	(64,450)	11,076
Others		**224,842**	104,565	120,276
Net cash provided by (used in) operating activities (a)		**684,693**	424,729	259,963
II Cash flows from investing activities				
Net decrease (increase) in deposits		**74,758**	179,543	(104,785)
Purchases of monetary receivables bought		**(603,232)**	(410,080)	(193,151)
Proceeds from sales and redemption of monetary receivables bought		**426,632**	335,522	91,110
Purchase of money trusts		**(2,100)**	(1,100)	(1,000)
Proceeds from sales of money trusts		**105**	3,830	(3,724)
Purchases of securities		**(3,358,594)**	(4,571,679)	1,213,085
Proceeds from sales and redemption of securities		**3,877,623**	4,326,353	(448,730)
New loans		**(481,420)**	(160,740)	(320,680)
Proceeds from collection of loans		**166,464**	173,722	(7,258)
Change in cash collateral under security borrowing and lending transactions		**164,725**	(34,985)	199,711
Others		**(6,603)**	(2,156)	(4,446)
Subtotal (b)		**258,358**	(161,771)	420,129
(a) + (b)		**943,052**	262,958	680,093
Purchases of tangible fixed assets		**(14,441)**	(14,678)	236
Proceeds from sales of tangible fixed assets		**5,238**	8,240	(3,002)
Payments for additional investments in subsidiaries		**—**	(5)	5
Net cash provided by (used in) investing activities		**249,155**	(168,214)	417,369

(Continued on following page)

(Yen in millions)

	Notes No.	FY2014 (April 1, 2014–March 31, 2015)	FY2013 (April 1, 2013–March 31, 2014)	Increase (Decrease)
III Cash flows from financing activities				
Proceeds from borrowing		**3,616**	10,539	(6,922)
Repayments of borrowing		**(106,001)**	(75,001)	(30,999)
Proceeds from issuance of short-term corporate bonds		**4,999**	4,999	(0)
Redemption of short-term corporate bonds		**(5,000)**	(5,000)	—
Proceeds from issuance of corporate bonds		**2,975**	—	2,975
Redemption of corporate bonds		**(26,580)**	(23,060)	(3,520)
Change in cash collateral under security lending transactions		**(201,587)**	(212,742)	11,155
Purchase of treasury shares		**(50,113)**	(128)	(49,984)
Dividends paid		**(61,333)**	(44,060)	(17,273)
Dividends paid to non-controlling interests		**(374)**	(550)	176
Proceeds from paid-up share capital from non-controlling interests		—	299	(299)
Others		**(845)**	(1,773)	927
Net cash provided by (used in) financing activities		**(440,243)**	(346,478)	(93,765)
IV Effect of exchange rate changes on cash and cash equivalents		**14,422**	33,794	(19,371)
V Net increase (decrease) in cash and cash equivalents		**508,027**	(56,168)	564,196
VI Cash and cash equivalents at beginning of year		**924,499**	979,389	(54,890)
VII Increase in cash and cash equivalents due to newly consolidated subsidiaries		—	1,278	(1,278)
VIII Decrease in cash and cash equivalents due to exclusion of consolidated subsidiaries		**(2,012)**	—	(2,012)
IX Cash and cash equivalents at end of year	*1	**1,430,514**	924,499	506,014

The accompanying notes are an integral part of the consolidated financial statements.

Significant Accounting Policies

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 85 companies

For details of Tokio Marine Holdings' consolidated subsidiaries, please refer to "Tokio Marine Holdings and its Subsidiaries" in "Corporate Data".

Tokio Marine Kiln Syndicates Limited and one other company are included as consolidated subsidiaries from the fiscal year 2014 due to new creation. Tokio Marine Kiln Syndicates Limited changed its name to R J Kiln & Co (No 4) Limited as of November 10, 2014.

Tokio Marine & Nichido Financial Life Insurance Co., Ltd. is excluded from the scope of consolidation due to its merger into Tokio Marine & Nichido Life Insurance Co., Ltd. as of October 1, 2014. In addition, Tokio Marine Financial Solutions Ltd. and one other company are excluded from the scope of consolidation because they are in the process of liquidation and are no longer material.

(2) Names of major non-consolidated subsidiaries

(Names of major companies)

- Tokio Marine & Nichido Adjusting Service Co., Ltd.
- Tokio Marine Capital Co., Ltd.

(Reason for exclusion from the scope of consolidation)

Each non-consolidated subsidiary is small in scale in terms of total assets, sales, net income or loss for the period and retained earnings. As such non-consolidated subsidiaries are not considered to materially affect any reasonable determination as to the Group's financial condition and results of operations, these companies are excluded from the consolidation.

2. Application of the equity method

(1) Number of affiliates accounted for by the equity method: 11 companies

(Names of major affiliates accounted for by the equity method)

Edelweiss Tokio Life Insurance Company Limited

(2) The non-consolidated subsidiaries (Tokio Marine & Nichido Adjusting Service Co., Ltd., Tokio Marine Capital Co., Ltd., etc.) and other affiliates (IFFCO-TOKIO General Insurance Company Ltd., etc.) are no longer accounted for by the equity method because these companies have had a minor effect on the Company's consolidated net income or loss for the current period as well as consolidated retained earnings.

(3) The Company owns 30.1% of the total voting rights of Japan Earthquake Reinsurance Co., Ltd. through Tokio Marine & Nichido and Nisshin Fire. However, the Company does not consider Japan Earthquake Reinsurance Co., Ltd. to be its affiliate since it believes that it can not exert a significant influence on any policy making decisions of Japan Earthquake Reinsurance's operations given the highly public nature of the construction of business.

(4) Where a company has a different closing date from that of Tokio Marine Holdings, and is accounted for by the equity method, the financial statements of that company for its fiscal year are used for presentation in the consolidated financial results.

3. Balance sheet date of consolidated subsidiaries

There are one domestic subsidiary and 75 overseas subsidiaries whose balance sheet dates are December 31. The consolidated financial statements incorporate the results of these subsidiaries for the period ended December 31. Appropriate adjustments for the consolidation are made for material transactions that occur during the three month lag to the consolidated balance sheet date.

4. Accounting policies

(1) Valuation of securities

a. Trading securities are valued at fair value, with the costs of their sales being calculated based on the moving-average method.

b. Bonds held to maturity are recorded at amortized cost based on the moving-average method (straight-line depreciation method).

c. Bonds earmarked for underwriting reserves are stated at amortized cost under the straight-line method in accordance with the Industry Audit Committee Report No. 21 "Temporary Treatment of Accounting and Auditing

Concerning Securities Earmarked for Underwriting Reserve in Insurance Industry" issued by the Japanese Institute of Certified Public Accountants (the "JICPA"), November 16, 2000.

The following is a summary of the risk management policy concerning bonds earmarked for underwriting reserves.

In order to adequately manage interest rate risk related to assets and liabilities, Tokio Marine & Nichido Life has established the following underwriting reserve subgroups: "the dollar-denominated underwriting reserve for insurance policies during the period of deferment regarding individual annuity insurance denominated in U.S. dollars with a policy cancellation refund based on market interest rates", "accumulated fund of underwriting reserve for insurance policies during the period of deferment regarding individual annuity insurance with floating interest rates", "accumulated fund of underwriting reserve for insurance policies of single payment whole-life insurance with floating interest rates denominated in U.S. dollars", "accumulated fund of underwriting reserve for insurance policies of single payment whole-life insurance with floating interest rates" and "accumulated fund of underwriting reserve for insurance policies of single payment individual annuity insurance". Tokio Marine & Nichido Life's policy is to match the duration of the underwriting reserve in each subgroup with bonds of the same or similar duration that are earmarked for underwriting reserves.

d. Available-for-sale securities with fair value are measured at fair value mainly based upon the market price on the closing date.

Unrealized gains/losses on available-for-sale securities are included in net assets and costs of sales are calculated using the moving-average method.

e. Available-for-sale securities whose fair value cannot be measured reliably are stated at original cost by the moving-average method.

f. Investments in non-consolidated subsidiaries and affiliates that are not subject to the equity method are stated at original cost by the moving-average method.

g. Securities held in individually managed money trusts that are mainly invested in securities for trading are accounted for under the fair value.

(2) Valuation of derivative transactions

Derivative financial instruments are accounted for by the fair value.

(3) Depreciation methods for material depreciable assets

a. Tangible fixed assets

Tangible fixed assets owned by the Company and its domestic consolidated subsidiaries are depreciated using the declining balance method. Only buildings that were acquired on or after April 1, 1998 excluding fixtures attached to buildings are depreciated using the straight-line method.

b. Intangible fixed assets

Intangible fixed assets recognized in acquisitions of overseas subsidiaries are amortized over the estimated useful life reflecting the pattern of the assets' future economic benefits.

(4) Accounting policies for significant reserves and allowances

a. Allowance for doubtful accounts

In order to provide reserves for losses from bad debts, a general allowance is made pursuant to the rules of asset self-assessment and the rules of asset write-off. Allowances are made by domestic consolidated insurance subsidiaries as follows:

For receivables from any debtor who has legally, or in practice, become insolvent (due to bankruptcy, special liquidation or suspension of transactions with banks based on the rules governing clearing houses, etc.) and for receivables from any debtor who has substantially become insolvent, reserves are provided based on the amount of any such receivables less the amount expected to be collectible calculated based on the disposal of collateral or execution of guarantees.

For receivables from any debtor who is likely to become insolvent in the near future, reserves are provided based on the overall solvency assessment of the relevant debtor. The net amount of such receivables considered to be collectible through the disposal of collateral or execution of guarantees is deducted from such receivables.

For receivables other than those described above, the amount of receivables is multiplied by the default rate, which is computed based on historical loan loss experience in certain previous periods, and is included in the accompanying consolidated financial statements.

In addition, all receivables are assessed by the asset accounting department and the asset management department in accordance with the rules for self-assessment of asset quality. Subsequently, the asset auditing departments, which are independent from other asset-related departments, conduct audits of the assessment results of the other asset-related departments. Reserves for bad debts are accounted for based on such assessment results as stated above.

b. Provision for retirement benefits for directors
Some domestic consolidated subsidiaries set aside a provision for retirement benefits for their directors as of the end of the fiscal year in accordance with the bylaw.

c. Provision for employees' bonus
To provide for payment of bonuses to employees, the Company and its consolidated domestic subsidiaries maintain reserves for employees' bonuses based on the expected amount to be paid.

d. Price fluctuation reserve
Domestic consolidated insurance subsidiaries maintain reserves under Article 115 of the Insurance Business Act in order to provide for possible losses or damages arising from fluctuation of share prices.

(5) Accounting methods for employees' severance and retirement benefits

a. The method of attributing expected retirement benefits to periods
In calculating the retirement benefit obligations, the method of attributing expected retirement benefits to periods is mainly based on the benefit formula basis.

b. The method of amortization of actuarial gains and losses and past service costs
Actuarial difference for each fiscal year is amortized proportionally from the following fiscal year using the straight-line method over a certain number of years (5 to 13 years) within the average remaining work period of employees at the time of occurrence.
Past service costs are amortized by the straight-line method over a certain number of years (7 to 13 years) within the average remaining work period of employees at the time of occurrence.

(Changes in Accounting Policies)
Regarding Accounting Standard for Retirement Benefits (ASBJ (The Accounting Standards Board of Japan) Statement No. 26, May 17, 2012; hereinafter the "Accounting Standard for Retirement Benefits") and the Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, May 17, 2012; hereinafter the "Guidance on Retirement Benefits"), the Company has been applying the provisions stated in Clause 35 of the Accounting Standard for Retirement Benefits and in Clause 67 of the Guidance on Retirement Benefits since the beginning of the fiscal year 2014 and reviewed its method of calculating retirement benefit obligations and service costs. The Company has changed the attribution method for projected retirement benefits from the point basis to the benefit formula basis. Also, the Company has changed the method for determining the discount rate from the use of the period approximate to the expected average remaining working lives of employees to the use of a single weighted average discount rate reflecting the estimated timing and amount of benefit payments.
The application of the Accounting Standard for Retirement Benefits and the Guidance on Retirement Benefits is subject to the transitional accounting treatment set forth in Clause 37 of the Accounting Standard for Retirement Benefits, and the effect of the change is included in retained earnings at the beginning of the fiscal year 2014.
As a result, net defined benefit assets decreased by 153 million yen, net defined benefit liabilities increased by 17,562 million yen and retained earnings decreased by 12,268 million yen at the beginning of the fiscal year 2014. Also, ordinary profit and income before income taxes and non-controlling interests for the fiscal year 2014 increased by 1,250 million yen, respectively.
The effect of this change on per-share figures is described on the relevant section.

(6) Consumption taxes
For the Company and its domestic consolidated subsidiaries, consumption tax is accounted for by the tax-excluded method except for underwriting and general administrative costs incurred by domestic consolidated insurance subsidiaries which are accounted for by the tax-included method.
In addition, any non-deductible consumption taxes, in respect of assets, are included in other assets and are amortized over five years using the straight-line method.

(7) Leases
Non-transferable finance leases, commencing prior to April 1, 2008 are accounted for as operating lease transactions.

(8) Hedge accounting

a. Interest rate

To mitigate interest rate fluctuation risk associated with long-term insurance policies, Tokio Marine & Nichido and Tokio Marine & Nichido Life conduct asset liability management to control such risk by evaluating and analyzing financial assets and insurance liabilities simultaneously.

As for interest rate swap transactions that are used to manage such risk, Tokio Marine & Nichido and Tokio Marine & Nichido Life apply deferred hedge accounting to the swap transactions based upon the Industry Audit Committee Report No. 26, "Accounting and Auditing Treatments related to Application of Accounting for Financial Instruments in the Insurance Industry" (issued by the JICPA, September 3, 2002–hereinafter called "Report No. 26").

Effectiveness is not evaluated for hedge treatments because it is believed to have high hedge effectiveness since the Company groups hedged insurance liabilities with the interest rate swaps that are the hedge instruments, based on the period remaining for the instruments.

Tokio Marine & Nichido accounts for any deferred gains on hedge transactions as of the end of March 2003 that were calculated based on the Industry Audit Committee's Report No.16, "Accounting and Auditing Treatments related to Application of Accounting for Financial Instruments in the Insurance Industry" (issued by the JICPA, March 31, 2000), which was applicable prior to the application of Report No. 26, using the straight-line method over the remaining hedging period (1-17 years). The accounting treatment for such deferred gains is based on the transitional measures in Report No. 26. Deferred gains under this treatment as of March 31, 2015 were 11,203 million yen (14,856 million yen at the end of the fiscal year 2013) and the amount accounted for in the consolidated financial statements for the fiscal year 2014 was 3,653 million yen (3,782 million yen at the end of the fiscal year 2013).

b. Foreign exchange

In Tokio Marine & Nichido, fair value hedge accounting and assignment accounting are applied to certain currency swaps and foreign exchange forward contracts utilized to reduce currency risk in assets denominated in foreign currency. Assessment of hedge effectiveness is omitted since the hedge is highly effective because the principal term of the hedging instruments and the hedged items are identical. Deferred hedge accounting is applied to borrowings denominated in foreign currency utilized to reduce currency risk in interest in overseas subsidiaries. Hedge effectiveness is determined based on the change in value of hedging instruments and hedged items during the period from the inception of the hedge to the time of assessment comparing these cumulative changes of market value.

(9) Methods of amortization of goodwill and amortization periods

Regarding goodwill recognized as an asset on the consolidated balance sheet, goodwill in connection with Philadelphia Consolidated Holdings Corp. is amortized over 20 years using the straight-line method. Goodwill in connection with Tokio Marine Kiln Group Limited is amortized over 10 years using the straight-line method. Goodwill in connection with Delphi Financial Group, Inc. is amortized over 5 years using the straight-line method. Other goodwill is amortized over 5 to 15 years using the straight-line method. Other goodwill in small amounts is amortized immediately.

Negative goodwill incurred before March 31, 2010 and recognized as a liability on the consolidated balance sheet is amortized over 20 years using the straight-line method.

(10) Scope of cash and cash equivalents included in the consolidated statement of cash flows

Cash and cash equivalents for the consolidated statement of cash flows consist of cash on-hand, demand deposits and short-term investments with original maturities or redemption of 3 months or less at the date of acquisition.

(11) Accounting for deferred assets under Article 113 of the Insurance Business Act

The Company evaluated the amortization of deferred assets under Article 113 of the Insurance Business Act for E. design Insurance Co., Ltd.

Accounting Standards Issued but Not Yet Adopted

"Accounting Standard for Business Combinations" (ASBJ Statement No. 21, September 13, 2013)
"Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, September 13, 2013)
"Accounting Standard for Business Divestitures" (ASBJ Statement No. 7, September 13, 2013)
"Accounting Standard for Earnings Per Share" (ASBJ Statement No. 2, September 13, 2013)
"Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No.10, September 13, 2013)
"Guidance on Accounting Standard for Earnings Per Share" (ASBJ Guidance No. 4, September 13, 2013)

1. Outline of changes
   These accounting standards were revised with a primary focus on 1) accounting for changes in parent company ownership interests in subsidiaries due to events such as acquisition of additional shares when the parent company retains control; 2) accounting for acquisition-related expenses; 3) changes in the presentation of net income and the change in nomenclature from "minority interests" to "non-controlling interests"; and 4) provisional accounting treatment.
2. Date of application
   The Company and its major domestic consolidated subsidiaries plan to adopt the accounting standards from beginning of the fiscal year 2015, and plan to apply the provisional accounting treatment for business combinations conducted on or after April 1, 2015.
3. Effect
   The Company has not yet determined the impact of adopting the accounting standard on its consolidated financial statements.

Notes to Consolidated Balance Sheet

*1. Accumulated depreciation of tangible fixed assets and deferred capital gains for tax purposes, deducted from acquisition costs are as follows:

(Yen in millions)

	As of March 31, 2015	As of March 31, 2014
Accumulated depreciation	**351,466**	348,554
Deferred capital gains for tax purposes	**19,383**	19,734

*2. Securities of non-consolidated subsidiaries and affiliates, etc. are as follows:

(Yen in millions)

	As of March 31, 2015	As of March 31, 2014
Securities (equity)	**87,720**	64,502
Securities (partnership)	**14,189**	39,768

*3. Amounts of loans to borrowers in bankruptcy are as follows:

(Yen in millions)

	As of March 31, 2015	As of March 31, 2014
Loans to borrowers in bankruptcy	**393**	393
Loans past due	**3,179**	1,800
Loans past due for three months or more	—	49
Restructured loans	**8,751**	6,446
Total	**12,324**	8,690

Note: Loans are generally placed on non-accrual status when substantial doubt is considered to exist when loans are past due for a certain period or for other reasons ("Non-accrual status loans"; any part of bad debt written-off is excluded). Loans to borrowers in bankruptcy represent non-accrual loans after a partial charge-off of claims deemed uncollectible, which are defined in Article 96, paragraph 1, subparagraph 3 (a) to (e) (maximum amount transferable to reserve for bad debts) and subparagraph 4 of the Enforcement Ordinance of the Corporation Tax Law (Ordinance No. 97, 1965).

Loans past due are non-accrual status loans, other than loans to borrowers in bankruptcy and loans on which interest payments are deferred in order to assist business restructuring or financial recovery of the borrowers.

Loans past due for three months or more are defined as loans on which any principal or interests payments are delayed for three months or more from the date following the due date. Loans classified as loans to borrowers in bankruptcy and past due loans are excluded.

Restructured loans are loans on which concessions (e.g. reduction of the stated interest rate, deferral of interest payment, extension of the maturity date, forgiveness of debt) are granted to borrowers in financial difficulties to assist them in their corporate restructuring or financial recovery by improving their ability to repay creditors. Restructured loans do not include loans classified as loans to borrowers in bankruptcy, past due loans or loans past due for three months or more.

*4. The value of assets pledged as collateral and collateralized debt obligations are as follows:

(Yen in millions)

	As of March 31, 2015	As of March 31, 2014
Assets pledged as collateral		
Bank deposits	41,321	32,612
Monetary receivables bought	46,004	—
Securities	392,637	312,490
Land	21	—
Buildings	455	—
Collateralized debt		
Outstanding claims	117,444	100,595
Underwriting reserves	126,524	71,568
Corporate bonds	3,013	—
Other liabilities (foreign reinsurance accounts payable, etc.)	88,920	34,927

*5. Non-recourse debt of consolidated special-purpose companies is as follows:

(Yen in millions)

	As of March 31, 2015	As of March 31, 2014
Non-recourse debt		
Corporate bonds	3,013	—
Assets corresponding to non-recourse debt		
Securities	3,013	—

6. The fair value of commercial paper and other instruments received under resale agreements, those with the right to dispose by sale or rehypothecation are wholly held by the Company is as follows:

(Yen in millions)

As of March 31, 2015	As of March 31, 2014
111,467	178,403

*7. Securities lent under loan agreements are as follows:

(Yen in millions)

As of March 31, 2015	As of March 31, 2014
1,085,083	994,801

*8. The outstanding balance of undrawn committed loans is as follows:

(Yen in millions)

	As of March 31, 2015	As of March 31, 2014
Total loan commitments	138,486	93,435
Balance of drawn committed loans	57,222	23,892
Undrawn loan commitments	81,263	69,543

9. The amount of assets or liabilities in separate accounts as prescribed in Article 118 of the Insurance Business Act is as follows:

(Yen in millions)

As of March 31, 2015	As of March 31, 2014
1,570,790	2,098,849

10. Tokio Marine & Nichido guarantees the liabilities of some of its subsidiaries. The balance of the guarantees to its subsidiaries is as follows:

(Yen in millions)

	As of March 31, 2015	As of March 31, 2014
Tokio Marine Compania de Seguros, S.A. de C.V.	**4,508**	2,522
Tokio Marine Pacific Insurance Limited	**3,496**	3,590
Tokio Marine Insurance (Thailand) Public Company Limited	—	7,925
Tokio Marine Global Re Limited	**314**	—
Total	**8,319**	14,038

*11. Deferred expenses under Article 113 of the Insurance Business Act, which are included in "Other assets", are as follows:

(Yen in millions)

As of March 31, 2015	As of March 31, 2014
15,307	19,134

Notes to Consolidated Statement of Income

*1. Major components of business expenses are as follows:

(Yen in millions)

	FY2014 (April 1, 2014–March 31, 2015)	FY2013 (April 1, 2013–March 31, 2014)
Agency commissions, etc.	**524,003**	470,141
Salaries	**270,895**	259,267

Note: Business expenses consist of "Loss adjustment expenses", "Operating and general administrative expenses" and "Agency commissions and brokerage" as shown in the accompanying consolidated statement of income.

*2. The Company recognized impairment losses on the following properties:

■ FY2014 (April 1, 2014–March 31, 2015)

(Yen in millions)

Purpose of use	Category	Location	**Impairment loss**			
			Land	**Building**	**Others**	**Total**
Properties for business use (nursing care business)	Buildings	3 properties, including fixtures attached to buildings in Yokohama, Kanagawa Pref.	—	**0**	**5**	**5**
Idle or potential disposal properties	Land and buildings	12 properties, including a training facility in Shijonawate, Osaka Pref.	**10,373**	**3,768**	—	**14,141**
Total			**10,373**	**3,768**	**5**	**14,147**

Properties are classified as follows: (a) properties for use in insurance business and other businesses are grouped by each consolidated company and (b) other properties including properties for rent, idle or potential disposal properties and properties for business use for nursing care business are grouped on an individual basis.

The total amount of projected future cash flows generated from the nursing care business fell below the book values of the properties used for this business. Consequently, the Company wrote off the excess of the book values of such properties over the recoverable amounts and recognized such write-offs as impairment losses in extraordinary losses. The recoverable amount of the relevant property is calculated by discounting future cash flows at a rate of 6.0%.

Due mainly to a decline in the real estate market, book values of some idle or potential disposal properties fell below the recoverable amount. Consequently, the Company wrote off the excess of the book values of such properties over the recoverable amount and recognized any such write-off as impairment losses in extraordinary losses. Recoverable amount is the net sales price of each property. Net sales price is the market value assessed by real estate appraisers less anticipated expenses for disposal of the relevant properties.

■ FY2013 (April 1, 2013–March 31, 2014)

(Yen in millions)

Purpose of use	Category	Location	Impairment loss			
			Land	Building	Others	Total
Properties for business use (insurance business and nursing care business)	Buildings	3 properties, including fixtures attached to buildings in Yokohama, Kanagawa Pref.	—	1	12	14
Idle or potential disposal properties	Land and buildings	9 properties, including a building in Kochi, Kochi Pref.	730	235	—	966
Total			730	237	12	980

Properties are classified as follows: (a) properties for use in insurance business and other businesses are grouped by each consolidated company and (b) other properties including properties for rent, idle or potential disposal properties and properties for business use for nursing care business are grouped on an individual basis.

The total amount of projected future cash flows generated from the insurance business and the nursing care business fell below the book values of the properties used for these businesses at certain consolidated subsidiaries. Consequently, the Company wrote off the excess of the book values of such properties over the recoverable amounts and recognized such write-offs as impairment losses in extraordinary losses. The recoverable amount in the insurance business is the net sales price of each property. However, because a rational appraisal is difficult, the recoverable amount is set at memorandum value. In the nursing care business, the recoverable amount of the relevant property is calculated by discounting future cash flows at a rate of 6.0%.

Due mainly to a decline in the real estate market, book values of some idle or potential disposal properties fell below the recoverable amount. Consequently, the Company wrote off the excess of the book values of such properties over the recoverable amount and recognized any such write-off as impairment losses in extraordinary losses. Recoverable amount is the net sales price of each property. Net sales price is the market value assessed by real estate appraisers less anticipated expenses for disposal of the relevant properties.

Based on the current operating environment, an impairment loss of 1,942 million yen, equivalent to the entire goodwill related to Edelweiss Tokio Life Insurance Company Limited (“Edelweiss”), was recognized and recorded as “equity in losses of affiliates” under ordinary expenses for the fiscal year 2013.

Notes to Consolidated Statement of Comprehensive Income

* Reclassification adjustment and tax effect relating to other comprehensive income

(Yen in millions)

	FY2014 (April 1, 2014–March 31, 2015)	FY2013 (April 1, 2013–March 31, 2014)
Unrealized gains on securities, net of taxes		
Amount arising during the fiscal year	**908,948**	184,156
Reclassification adjustment	**(102,417)**	(95,219)
Before tax effect adjustment	**806,531**	88,936
Tax effect	**(198,953)**	(22,840)
Unrealized gains on securities, net of taxes	**607,578**	66,096
Deferred gains (losses) on hedge transactions		
Amount arising during the fiscal year	**5,278**	(1,796)
Reclassification adjustment	**(4,707)**	(3,900)
Before tax effect adjustment	**570**	(5,697)
Tax effect	**390**	1,998
Deferred gains (losses) on hedge transactions	**961**	(3,699)
Foreign currency translation adjustments		
Amount arising during the fiscal year	**133,002**	192,134
Reclassification adjustment	**450**	—
Before tax effect adjustment	**133,452**	192,134
Tax effect	**—**	(77)
Foreign currency translation adjustments	**133,452**	192,057
Remeasurements of defined benefit plans, net of taxes		
Amount arising during the fiscal year	**(4,279)**	—
Reclassification adjustment	**11,722**	—
Before tax effect adjustment	**7,443**	—
Tax effect	**(2,876)**	—
Remeasurements of defined benefit plans, net of taxes	**4,567**	—
Share of other comprehensive income of affiliates accounted for by equity method		
Amount arising during the fiscal year	**1,451**	2,126
Reclassification adjustment	**(334)**	(197)
Share of other comprehensive income of affiliates accounted for by equity method	**1,117**	1,929
Total other comprehensive income	**747,677**	256,382

Notes to Consolidated Statement of Changes in Shareholders' Equity

■ FY2014 (April 1, 2014–March 31, 2015)

1. Class and number of issued shares and treasury shares

(Unit: thousand shares)

	Number of shares as of April 1, 2014	**Increase during the year ended March 31, 2015**	**Decrease during the year ended March 31, 2015**	**Number of shares as of March 31, 2015**
Issued shares				
Common shares	769,524	—	**12,000**	**757,524**
Total	769,524	—	**12,000**	**757,524**
Treasury shares				
Common shares	2,306	**12,795**	**12,176**	**2,925**
Total	2,306	**12,795**	**12,176**	**2,925**

1. The decrease of 12,000 thousand common shares under issued shares is entirely attributable to cancellation of treasury shares.
2. The increase of 12,795 thousand common shares under treasury shares is primarily attributable to acquisition of 12,764 thousand shares as a result of the execution of capital policies.
3. The decrease of 12,176 thousand common shares under treasury shares is primarily attributable to cancellation of 12,000 thousand treasury shares.

2. Share acquisition rights (including those owned by the Company)

Category	Nature of share acquisition rights	**Amount as of March 31, 2015 (Yen in millions)**
The Company (parent company)	Share acquisition rights as share options	**2,037**

3. Dividends

(1) Amount of dividends

Resolution	Class of shares	Amount of dividends paid	Dividends per share	Record date	Effective date
Ordinary general meeting of shareholders held on June 23, 2014	Common shares	30,688 million yen	40.00 yen	March 31, 2014	June 24, 2014
Meeting of the board of directors held on November 19, 2014	Common shares	30,694 million yen	40.00 yen	September 30, 2014	December 10, 2014

(2) Dividends of which the record date falls within the year ended March 31, 2015, and the effective date falls after March 31, 2015

Resolution	Class of shares	Amount of dividends paid	Source of dividends	Dividends per share	Record date	Effective date
Ordinary general meeting of shareholders held on June 29, 2015	Common shares	41,502 million yen	Retained earnings	55.00 yen	March 31, 2015	June 30, 2015

■ FY2013 (April 1, 2013–March 31, 2014)

1. Class and number of issued shares and treasury shares

(Unit: thousand shares)

	Number of shares as of April 1, 2013	Increase during the year ended March 31, 2014	Decrease during the year ended March 31, 2014	Number of shares as of March 31, 2014
Issued shares				
Common shares	769,524	—	—	769,524
Total	769,524	—	—	769,524
Treasury shares				
Common shares	2,490	39	223	2,306
Total	2,490	39	223	2,306

1. The increase of 39 thousand common shares under treasury shares is entirely attributable to acquisition of odd shares less than one unit of common shares.
2. The decrease of 223 thousand common shares under treasury shares is primarily attributable to the distribution of 222 thousand shares upon exercise of share acquisition rights.

2. Share acquisition rights (including those owned by the Company)

Category	Nature of share acquisition rights	Amount as of March 31, 2014 (Yen in millions)
The Company (parent company)	Share acquisition rights as share options	1,891

3. Dividends

(1) Amount of dividends

Resolution	Class of shares	Amount of dividends paid	Dividends per share	Record date	Effective date
Ordinary general meeting of shareholders held on June 24, 2013	Common shares	21,093 million yen	27.50 yen	March 31, 2013	June 25, 2013
Meeting of the board of directors held on November 19, 2013	Common shares	23,017 million yen	30.00 yen	September 30, 2013	December 3, 2013

(2) Dividends of which the record date falls within the year ended March 31, 2014, and the effective date falls after March 31, 2014

Resolution	Class of shares	Amount of dividends paid	Source of dividends	Dividends per share	Record date	Effective date
Ordinary general meeting of shareholders held on June 23, 2014	Common shares	30,688 million yen	Retained earnings	40.00 yen	March 31, 2014	June 24, 2014

Notes to Consolidated Statement of Cash Flows

*1. Reconciliation of cash and cash equivalents at the end of the year to the amounts disclosed in the consolidated balance sheet is provided as follows:

(Yen in millions)

	FY2014 (April 1, 2014–March 31, 2015)	FY2013 (April 1, 2013–March 31, 2014)
Cash and bank deposits	**536,657**	439,368
Call loans	**402,586**	270,931
Monetary receivables bought	**1,372,372**	877,452
Securities	**15,511,017**	14,761,559
Time deposits with initial term over three months to maturity	**(108,731)**	(120,602)
Monetary receivables bought not included in cash equivalents	**(904,662)**	(623,750)
Securities not included in cash equivalents	**(15,378,725)**	(14,680,457)
Cash and cash equivalents	**1,430,514**	924,499

2. Cash flows from investing activities include cash flows arising from asset management relating to the insurance business.

Leases

1. Finance leases
   Non-transferable finance leases which are accounted for as operating lease transactions.

   As lessee:
   (1) Acquisition cost, accumulated depreciation, accumulated impairment losses and net book value of leased assets on an "as if capitalized" basis

■ As of March 31, 2015

(Yen in millions)

	Acquisition cost	Accumulated depreciation	Accumulated impairment losses	Net book value
Tangible fixed assets	**1,099**	**347**	**—**	**752**

Acquisition cost includes interest payable thereon because the balance of future lease payment accounts for a small portion of the balance of tangible fixed assets.

■ As of March 31, 2014

(Yen in millions)

	Acquisition cost	Accumulated depreciation	Accumulated impairment losses	Net book value
Tangible fixed assets	1,105	309	—	795

Acquisition cost includes interest payable thereon because the balance of future lease payment accounts for a small portion of the balance of tangible fixed assets.

(2) Future lease payments on an "as if incurred" basis

(Yen in millions)

	As of March 31, 2015	As of March 31, 2014
Due within one year	**49**	49
Due after one year	**647**	696
Total	**696**	746
Balance of impairment losses on leased assets	**—**	—

Future lease payment includes interest payable thereon because the balance of future lease payment accounts for a small portion of the balance of tangible fixed assets.

(3) Lease payment, reversal of impairment loss on leased assets, depreciation equivalent and impairment losses

(Yen in millions)

	FY2014 (April 1, 2014–March 31, 2015)	FY2013 (April 1, 2013–March 31, 2014)
Lease payment	**49**	49
Reversal of impairment losses on lease assets	**—**	—
Depreciation equivalent	**42**	42
Impairment losses	**—**	—

(4) Computation of depreciation equivalent
Depreciation equivalent is determined on the straight-line method over the lease period, with no residual value.

2. Operating leases
   Future lease payments related to non-cancelable operating leases

(Yen in millions)

	As of March 31, 2015	As of March 31, 2014
As lessee:		
Due within one year	**7,008**	4,839
Due after one year	**43,395**	16,451
Total	**50,404**	21,290
As lessor:		
Due within one year	**1,771**	1,781
Due after one year	**10,211**	11,181
Total	**11,982**	12,963

Information on Financial Instruments

1. Qualitative information on financial instruments

(1) Investment policies

The Tokio Marine Group's core operation is its insurance business and it generally makes investments based on cash inflows mainly arising from insurance premiums.

Investment assets are managed in two categories, which are "Assets backing insurance liabilities" corresponding to long-term insurance contracts such as deposit type insurance and annuity, and "Others".

With regard to "Assets backing insurance liabilities", Asset Liability Management ("ALM") is applied in order to ensure future payments for claims and maturity refunds. Through ALM, the Tokio Marine Group aims to maximize the value of surplus ("Investment assets" less "Insurance liabilities") by controlling the interest rate risk with derivatives such as interest rate swaps to which insurance liabilities are exposed and by investing in bonds with high credit ratings. The Tokio Marine Group also utilizes financial options as one of the ways to control risk related to variable annuities which guarantee minimum amounts of benefits which are not subject to the result of investment.

With regard to "Others", the Tokio Marine Group works toward diversification of investments and improvement of investment efficiency in order to generate sustainable investment income, while maintaining liquidity for future claims payments. On investment, considering the risk-and-return profile for each investment item, diversified investment is carried out in a variety of investment items such as bonds, equity securities and loans. In addition, foreign exchange forwards and other derivative transactions are utilized to mitigate risk related to assets held.

Through these approaches, the Tokio Marine Group aims to minimize fluctuations in short-term gains and losses, increase investment income in order to maximize net asset value in the mid-to-long-term and maintain financial soundness.

With regard to financing, the Tokio Marine Group issues corporate bonds and undertakes borrowings mainly to secure funds for investments. When financing is necessary, amounts and methodologies are determined based on the group's cash flow status.

(2) Details of financial instruments and their risk

The Tokio Marine Group holds financial instruments including equity securities, bonds and other securities; loans; and derivatives. These instruments are exposed to market risk, which refers to the risk of losses arising from fluctuations in share prices, exchange rates, interest rates and other market indicators. They are also exposed to credit risk, which refers to the risk of losses when the value of an investment declines or is lost due to deterioration in the financial condition of the debtor. Other risks to which these instruments are exposed include market liquidity risk, which refers to the risk of losses that may occur from being unable to make transactions due to disordered market conditions, or being forced to make transactions at extremely unfavorable prices.

Some currency risk is hedged through foreign exchange forwards, currency swaps and other such transactions. Hedge accounting is applied to some of these transactions.

Credit risk associated with derivative transactions includes the risk of losses when the counterparties fail to fulfill their obligations due to insolvency or for other reasons. In order to reduce such credit risk, netting arrangements may be used with financial institutions and other counterparties with whom there are frequent transactions. Also, interest rate risk associated with long-term insurance liabilities is hedged by interest rate swaps and other transactions for which hedge accounting is applied in some cases.

With regard to hedging instruments, hedged items, hedging policies and evaluation of hedge effectiveness, please refer to "Significant Accounting Policies - 4. Accounting policies - (8) Hedge accounting".

(3) Risk management structure

(i) Market risk and credit risk management

Based on the "Investment risk management policy" established by the board of directors, Tokio Marine & Nichido executes risk management activities both quantitatively and qualitatively to control investment risk related to financial instruments such as market risk, credit risk and liquidity risk at the risk management department, which is independent of trading departments.

In accordance with the policy, "Investment guidelines" are established under which investable instruments, risk limits and actions to take in response to limits are exceeded and prescribed for each segment set in the annual investment plan. Investment risk is quantitatively measured using VaR-like concepts. Compliance with the guidelines and investment risk and return are reported on a monthly basis to directors.

Tokio Marine & Nichido appropriately manages credit risk with the "Guidelines for managing credit risk concentration", internal credit rating guidelines and the others by regularly monitoring the concentration and the status of issuers and borrowers.

In order to limit individual investments, Tokio Marine & Nichido also executes pre-investment review and post-investment monitoring according to the"Review guidelines" and the others.

Risk monitoring operations are regularly reported to the Board of Directors.

Other consolidated subsidiaries maintain risk management structures similar to those described above.

(ii) Liquidity risk management

The Tokio Marine Group manages liquidity risk by controlling payment schedules and ensuring various ways of financing, through treasury management by each consolidated subsidiary and by the group as a whole.

(4) Notes on fair value of financial instruments

The fair value of financial instruments is calculated in commonly used and recognized methodologies when market prices are not available. On determination of such fair value, certain assumptions are set, and the fair value may be determined differently on other assumptions.

2. Fair value of financial instruments

The table below shows consolidated balance sheet carrying amounts, fair value and differences of financial instruments, excluding unlisted shares and other instruments for which fair value cannot be measured reliably. (Refer to Note 2.)

■ As of March 31, 2015

(Yen in millions)

	Carrying amount shown on balance sheet	Fair value	Difference
(1) Cash and bank deposits	536,657	536,738	81
(2) Call loans	402,586	402,586	—
(3) Receivables under resale agreements	64,979	64,979	—
(4) Receivables under securities borrowing transactions	24,841	24,841	—
(5) Monetary receivables bought	1,372,209	1,372,209	—
(6) Money trusts	2,433	2,433	—
(7) Securities			
Trading securities	1,788,158	1,788,158	—
Bonds held to maturity	3,285,559	3,728,421	442,862
Bonds earmarked for underwriting reserves	119,056	124,522	5,465
Available-for-sale securities	10,059,553	10,059,553	—
(8) Loans	583,761		
Allowance for doubtful accounts (*1)	(5,353)		
	578,407	584,911	6,504
Total financial assets	18,234,442	18,689,355	454,913
(1) Corporate bonds	107,077	110,746	3,669
(2) Payables under securities lending transactions	825,845	825,845	—
Total financial liabilities	932,923	936,592	3,669
Derivative assets and liabilities (*2)			
Hedge accounting not applied	(2,047)	(2,047)	—
Hedge accounting applied	3,914	3,914	—
Total derivative assets and liabilities	1,867	1,867	—

(*1) Allowance for doubtful accounts earmarked for loans are deducted from the carrying amounts.
(*2) Derivative assets and liabilities are presented on a net basis. Debits and credits arising from derivative transactions are netted. Net debits are shown in parentheses.

■ As of March 31, 2014 (Yen in millions)

	Carrying amount shown on balance sheet	Fair value	Difference
(1) Cash and bank deposits	439,368	439,426	57
(2) Call loans	270,931	270,931	—
(3) Receivables under resale agreements	119,974	119,974	—
(4) Receivables under securities borrowing transactions	38,580	38,580	—
(5) Monetary receivables bought	877,156	877,156	—
(6) Money trusts	2,897	2,897	—
(7) Securities			
Trading securities	2,326,461	2,326,461	—
Bonds held to maturity	2,972,787	3,207,068	234,280
Bonds earmarked for underwriting reserves	161,101	167,423	6,321
Available-for-sale securities	8,998,584	8,998,584	—
(8) Loans	266,387		
Allowance for doubtful accounts (*1)	(6,865)		
	259,521	267,676	8,154
Total financial assets	16,467,364	16,716,179	248,814
(1) Corporate bonds	124,375	126,101	1,725
(2) Payables under securities lending transactions	876,446	876,446	—
Total financial liabilities	1,000,822	1,002,547	1,725
Derivative assets and liabilities (*2)			
Hedge accounting not applied	5,228	5,228	—
Hedge accounting applied	9,497	9,497	—
Total derivative assets and liabilities	14,725	14,725	—

(*1) Allowance for doubtful accounts earmarked for loans are deducted from the carrying amounts.
(*2) Derivative assets and liabilities are presented on a net basis. Debits and credits arising from derivative transactions are netted.

(Note 1) Valuation method for financial instruments

Assets
With regard to (1) Cash and bank deposits (excluding those defined as securities in "Accounting Standard for Financial Instruments" (ASBJ Statement No.10, March 10, 2008)), (2) Call loans, (3) Receivables under resale agreements, and (4) Receivables under securities borrowing transactions, the book value is generally deemed as the fair value since it is scheduled to be settled in a short period of time and the book value approximates the fair value.

Regarding (5) Monetary receivables bought, (6) Money trusts and (7) Securities (including those in (1) Cash and bank deposits that are defined to be securities in "Accounting Standard for Financial Instruments") with quoted market prices, the quoted closing price is used for listed shares and the price of the over-the-counter transactions is used for bonds. For securities with no quoted market price, the net present value of the estimated future cash flows is applied as the fair value.

With regard to floating rate loans in (8) Loans, the book value is deemed as the fair value because interest rate changes will be reflected in a timely manner in the future cash flows and the book value approximates the fair value as long as there are no significant changes in credit status of the borrowers since the inception of the loans. For fixed rate loans, the fair value is measured as the net present value of estimated future cash flows. For loans where borrowers are insolvent or in bankruptcy proceedings, the estimated uncollectible debts are deducted from the carrying amount to get the fair value.

Liabilities
With regard to (1) Corporate bonds, the price of the over-the-counter transactions is the fair value.

With regard to (2) Payables under securities lending transactions, the book value is deemed as the fair value because it is scheduled to be settled in a short period of time and the book value approximates the fair value.

Derivatives
Please refer to "Derivative transactions".

(Note 2) Carrying amount shown on balance sheet of financial instruments for which fair value cannot be measured reliably

(Yen in millions)

	As of March 31, 2015	As of March 31, 2014
Unlisted shares and partnership investments comprised of unlisted shares	**257,622**	301,690
Policy loans	**111,267**	107,186
Total	**368,889**	408,876

Unlisted shares and partnership investments comprised of unlisted shares are not included in (7) Securities because the fair value cannot be measured reliably as they have no quoted market price and the future cash flow cannot be estimated.

Policy loans are not included in (8) Loans because future cash flows cannot be estimated since policy loans are arranged under an insurance policy and the amount is limited within the repayment fund for cancellation with no contractual maturity.

(Note 3) Maturity analysis of financial assets

■ As of March 31, 2015

(Yen in millions)

	Within 1 year	**1-5 years**	**5-10 years**	**Over 10 years**
Cash and bank deposits	**205,502**	**11,760**	**93**	—
Monetary receivables bought	**541,015**	**53,686**	**94,881**	**797,012**
Securities				
Bonds held to maturity				
Domestic government bonds	**8,700**	**232,559**	**85,300**	**2,830,029**
Domestic corporate bonds	—	—	—	**25,800**
Foreign securities	**930**	**4,998**	**1,723**	**19,475**
Bonds earmarked for underwriting reserves				
Domestic government bonds	**18,642**	**44,518**	**11,828**	**4,624**
Foreign securities	**9,344**	**23,415**	**11,646**	**3,193**
Available-for-sale securities with maturity				
Domestic government bonds	**355,662**	**418,924**	**531,097**	**1,629,085**
Domestic municipal bonds	**35,078**	**33,702**	**32,892**	**1,500**
Domestic corporate bonds	**123,290**	**342,848**	**76,187**	**42,579**
Foreign securities	**122,700**	**560,317**	**706,528**	**1,056,260**
Others	**166**	**556**	**4**	**53**
Loans (*)	**349,669**	**185,013**	**21,401**	**18,364**
Total	**1,770,703**	**1,912,300**	**1,573,586**	**6,427,977**

(*) Loans to borrowers that are insolvent or in bankruptcy proceedings and for which repayment cannot be expected (5,091 million yen), and loans with no repayment schedule (4,265 million yen) are not included above.

■ As of March 31, 2014

(Yen in millions)

	Within 1 year	1-5 years	5-10 years	Over 10 years
Cash and bank deposits	224,414	10,833	81	—
Monetary receivables bought	304,568	42,562	74,767	546,061
Securities				
Bonds held to maturity				
Domestic government bonds	54,350	220,159	58,400	2,525,329
Domestic corporate bonds	—	—	—	25,800
Foreign securities	1,126	4,954	2,252	12,708
Bonds earmarked for underwriting reserves				
Domestic government bonds	1,724	55,029	25,720	4,834
Foreign securities	34,215	30,969	16,784	3,254
Available-for-sale securities with maturity				
Domestic government bonds	687,619	380,443	664,310	1,457,806
Domestic municipal bonds	26,414	61,534	19,392	1,500
Domestic corporate bonds	166,255	401,553	107,879	43,071
Foreign securities	195,045	605,347	495,212	816,448
Others	299	499	—	91
Loans (*)	45,551	160,510	26,573	25,731
Total	1,741,584	1,974,397	1,491,373	5,462,637

(*) Loans to borrowers that are insolvent or in bankruptcy proceedings and for which repayment cannot be expected (6,453 million yen), and loans with no repayment schedule (1,566 million yen) are not included above.

(Note 4) Maturity schedules for bonds, long-term borrowings and obligations under lease transactions

■ As of March 31, 2015

(Yen in millions)

	Within 1 year	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**Over 5 years**
Corporate bonds	**1,130**	**500**	**4,953**	—	—	**97,173**
Long-term borrowings	**3,617**	**1**	**156,222**	**33,755**	**1**	**6,674**
Obligations under lease transactions	**390**	**340**	**155**	**18**	**1**	—
Total	**5,138**	**841**	**161,331**	**33,774**	**2**	**103,847**

■ As of March 31, 2014

(Yen in millions)

	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Corporate bonds	200	—	500	2,340	—	121,335
Long-term borrowings	100,001	1,001	1	133,797	29,510	12,717
Obligations under lease transactions	801	276	226	55	5	0
Total	101,002	1,277	727	136,192	29,515	134,053

Securities

1. Trading securities

(Yen in millions)

	As of March 31, 2015	As of March 31, 2014
Unrealized gains (losses) included in earnings	**421,688**	372,370

2. Bonds held to maturity

(Yen in millions)

Type		As of March 31, 2015			As of March 31, 2014		
		Carrying amount shown on balance sheet	**Fair value**	**Difference**	Carrying amount shown on balance sheet	Fair value	Difference
Those with fair value exceeding the carrying amount	Domestic debt securities	**3,256,138**	**3,698,936**	**442,797**	2,774,668	3,011,035	236,367
	Foreign securities	**15,970**	**16,300**	**329**	9,456	9,699	242
	Subtotal	**3,272,109**	**3,715,236**	**443,127**	2,784,124	3,020,734	236,609
Those with fair value not exceeding the carrying amount	Domestic debt securities	**2,048**	**2,029**	**(19)**	176,878	174,920	(1,957)
	Foreign securities	**11,400**	**11,155**	**(245)**	11,784	11,412	(372)
	Subtotal	**13,449**	**13,184**	**(265)**	188,662	186,333	(2,329)
Total		**3,285,559**	**3,728,421**	**442,862**	2,972,787	3,207,068	234,280

3. Bonds earmarked for underwriting reserves

(Yen in millions)

Type		As of March 31, 2015			As of March 31, 2014		
		Carrying amount shown on balance sheet	**Fair value**	**Difference**	Carrying amount shown on balance sheet	Fair value	Difference
Those with fair value exceeding the carrying amount	Domestic debt securities	**76,476**	**79,774**	**3,297**	78,751	82,680	3,928
	Foreign securities	**40,543**	**42,728**	**2,184**	71,412	74,159	2,746
	Subtotal	**117,019**	**122,502**	**5,482**	150,164	156,840	6,675
Those with fair value not exceeding the carrying amount	Domestic debt securities	—	—	—	4,413	4,392	(21)
	Foreign securities	**2,037**	**2,020**	**(16)**	6,523	6,191	(332)
	Subtotal	**2,037**	**2,020**	**(16)**	10,937	10,583	(354)
Total		**119,056**	**124,522**	**5,465**	161,101	167,423	6,321

4. Available-for-sale securities

(Yen in millions)

Type		As of March 31, 2015			As of March 31, 2014		
		Fair value shown on balance sheet	**Cost**	**Difference**	Fair value shown on balance sheet	Cost	Difference
Those with fair value exceeding the cost	Domestic debt securities	**3,666,969**	**3,384,924**	**282,044**	3,959,635	3,771,751	187,884
	Domestic equity securities	**2,812,843**	**700,963**	**2,111,880**	2,242,459	709,744	1,532,715
	Foreign securities	**2,518,871**	**2,291,458**	**227,412**	1,491,353	1,371,278	120,074
	Others (Note 2)	**549,097**	**506,942**	**42,155**	360,676	332,462	28,213
	Subtotal	**9,547,781**	**6,884,288**	**2,663,493**	8,054,125	6,185,237	1,868,887
Those with fair value not exceeding the cost	Domestic debt securities	**319,857**	**321,536**	**(1,679)**	323,479	323,985	(506)
	Domestic equity securities	**11,381**	**12,221**	**(840)**	35,647	38,426	(2,779)
	Foreign securities	**711,722**	**740,860**	**(29,137)**	934,561	979,261	(44,700)
	Others (Note 3)	**849,532**	**855,405**	**(5,872)**	538,156	548,224	(10,068)
	Subtotal	**1,892,494**	**1,930,024**	**(37,529)**	1,831,843	1,889,898	(58,054)
Total		**11,440,275**	**8,814,312**	**2,625,963**	9,885,969	8,075,136	1,810,832

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

2. As of March 31, 2015, "Others" includes negotiable certificates of deposit (fair value: 188 million yen; cost: 186 million yen; difference: 2 million yen) which are presented as "Cash and bank deposits" on the consolidated balance sheet, and foreign mortgage securities, etc. (fair value: 531,002 million yen; cost: 491,841 million yen; difference: 39,161 million yen) which are presented as "Monetary receivables bought" on the consolidated balance sheet.

As of March 31, 2014, "Others" includes negotiable certificates of deposit (fair value: 83 million yen; cost: 81 million yen; difference: 1 million yen) which are presented as "Cash and bank deposits" on the consolidated balance sheet, and foreign mortgage securities, etc. (fair value: 352,164 million yen; cost: 325,925 million yen; difference: 26,239 million yen) which are presented as "Monetary receivables bought" on the consolidated balance sheet.

3. As of March 31, 2015, "Others" includes negotiable certificates of deposit (fair value: 21,811 million yen; cost: 21,811 million yen) which are presented as "Cash and bank deposits" on the consolidated balance sheet, and commercial paper, etc. (fair value: 827,719 million yen; cost: 833,591 million yen; difference: (5,871) million yen) which are presented as "Monetary receivables bought" on the consolidated balance sheet.

As of March 31, 2014, "Others" includes negotiable certificates of deposit (fair value: 16,856 million yen; cost: 16,859 million yen; difference: (3) million yen) which are presented as "Cash and bank deposits" on the consolidated balance sheet, and commercial paper, etc. (fair value: 518,280 million yen; cost: 528,330 million yen; difference: (10,049) million yen) which are presented as "Monetary receivables bought" on the consolidated balance sheet.

5. Bonds held to maturity that were sold

None

6. Bonds earmarked for underwriting reserves that were sold

(Yen in millions)

Type	**FY2014 (April 1, 2014–March 31, 2015)**			FY2013 (April 1, 2013–March 31, 2014)		
	Sale proceeds	**Gains on sale**	**Losses on sale**	Sale proceeds	Gains on sale	Losses on sale
Domestic debt securities	**5,907**	**301**	**0**	5,872	322	0
Foreign securities	**12,935**	**2,259**	**8**	22,461	1,736	137
Total	**18,842**	**2,560**	**8**	28,333	2,058	138

7. Available-for-sale securities that were sold

(Yen in millions)

Type	FY2014 (April 1, 2014–March 31, 2015)			FY2013 (April 1, 2013–March 31, 2014)		
	Sale proceeds	**Gains on sale**	**Losses on sale**	Sale proceeds	Gains on sale	Losses on sale
Domestic debt securities	**631,974**	**15,772**	**1,494**	1,299,156	25,901	1,958
Domestic equity securities	**112,413**	**76,559**	**707**	110,597	68,529	1,209
Foreign securities	**782,787**	**19,834**	**9,577**	1,659,536	11,545	15,483
Others	**253,210**	**7,285**	**685**	297,731	12,860	4,920
Total	**1,780,387**	**119,452**	**12,466**	3,367,021	118,837	23,572

Note: For the fiscal year 2014, "Others" includes negotiable certificates of deposit (proceeds: 63,622 million yen; gains: 0 million yen; losses: 0 million yen), which are presented as "Cash and bank deposits" on the consolidated balance sheet, and foreign mortgage securities, etc. (proceeds: 189,588 million yen; gains: 7,284 million yen; losses: 685 million yen), which are presented as "Monetary receivables bought " on the consolidated balance sheet.
For the fiscal year 2013, "Others" includes negotiable certificates of deposit (proceeds: 42,728 million yen; losses: 0 million yen), which are presented as "Cash and bank deposits" on the consolidated balance sheet, and foreign mortgage securities, etc. (proceeds: 254,396 million yen; gains: 12,762 million yen; losses: 4,920 million yen), which are presented as "Monetary receivables bought " on the consolidated balance sheet.

8. Securities impaired

For the fiscal year 2014, impairment losses of 4,416 million yen (domestic equity securities: 10 million yen; foreign securities: 3,210 million yen; others: 1,195 million yen) were recognized for "Available-for-sale securities" with fair value. Impairment losses of 1,391 million yen (domestic equity securities: 828 million yen; foreign securities: 515 million yen; others: 47 million yen) were also recognized for those whose fair value cannot be measured reliably.

For the fiscal year 2013, impairment losses of 2,291 million yen (domestic equity securities: 742 million yen; foreign securities: 293 million yen; others: 1,255 million yen) were recognized for "Available-for-sale securities" with fair value. Impairment losses of 430 million yen (domestic equity securities: 52 million yen; foreign securities: 378 million yen) were also recognized for those whose fair value cannot be measured reliably.

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

Money Trusts

1. Money trusts held for trading purposes

(Yen in millions)

	As of March 31, 2015	As of March 31, 2014
Unrealized gains included in earnings	**133**	85

2. Money trusts held to maturity

None

3. Money trusts other than those held to maturity or those held for trading purposes

(Yen in millions)

	As of March 31, 2015			As of March 31, 2014		
	Carrying amount shown on balance sheet	**Cost**	**Difference**	Carrying amount shown on balance sheet	Cost	Difference
Money trusts	**100**	**100**	—	200	200	—

Derivative Transactions

"Principal amount" as shown in the tables is the nominal contract amount or notional principal amount of derivative transactions. The amount itself does not represent the market or credit risk of such derivative transactions.

1. Derivative transactions to which hedge accounting is not applied

(1) Foreign currency-related instruments

(Yen in millions)

Type		As of March 31, 2015				As of March 31, 2014			
		Principal amount	Over 1 year	Fair value	Unrealized gains (losses)	Principal amount	Over 1 year	Fair value	Unrealized gains (losses)
Market transactions	Currency futures								
	Short	8,826	—	—	—	—	—	—	—
Over-the-counter transactions	Foreign exchange forwards								
	Short	352,119	2,481	(1,747)	(1,747)	220,257	1,084	(1,194)	(1,194)
	Long	36,643	492	(279)	(279)	56,527	4,033	816	816
	Currency swaps								
	Pay Foreign/Rec. Yen	131,872	81,901	(4,104)	(4,104)	202,847	151,544	(6,215)	(6,215)
	Pay Yen/Rec. Foreign	79,193	45,413	3,642	3,642	136,502	102,417	443	443
	Currency options								
	Short	62,884	56,094			89,548	61,118		
		[7,296]	[6,592]	11,493	(4,196)	[9,241]	[7,420]	10,681	(1,439)
	Long	34,751	30,589			51,794	36,458		
		[4,177]	[3,571]	8,527	4,350	[5,789]	[4,517]	8,417	2,628
Total		—	—	17,532	(2,335)	—	—	12,949	(4,960)

Notes: 1. The fair value of currency futures is based on the closing price in principal markets.
2. The fair value of foreign exchange forwards and currency swaps is measured by discounting estimated future cash flows to present value.
3. The fair value of currency options is measured using option-pricing model.
4. For option contracts, the figures below the principal amount denoted with [ ] are option premiums.

(2) Interest rate-related instruments

(Yen in millions)

Type		As of March 31, 2015				As of March 31, 2014			
		Principal amount	Over 1 year	Fair value	Unrealized gains (losses)	Principal amount	Over 1 year	Fair value	Unrealized gains (losses)
Market transactions	Interest rate futures								
	Short	115,637	—	—	—	70,300	—	(0)	(0)
	Long	7,764	—	—	—	13,674	—	—	—
Over-the-counter transactions	Interest rate options								
	Short	29,407	16,247			53,523	46,070		
		[314]	[213]	0	313	[420]	[315]	5	414
	Interest rate swaps								
	Rec. fix/Pay float	1,715,205	1,427,490	126,507	126,507	2,184,660	1,850,243	117,030	117,030
	Rec. float/Pay fix	1,631,401	1,311,886	(119,441)	(119,441)	1,934,300	1,658,819	(105,105)	(105,105)
	Rec. float/Pay float	377,224	268,945	(361)	(361)	485,454	442,356	(719)	(719)
	Rec. fix/Pay fix	1,300	1,300	(212)	(212)	1,959	1,959	27	27
Total		—	—	6,491	6,805	—	—	11,237	11,646

Notes: 1. The fair value of interest rate futures is based on the closing prices in principal markets.
2. The fair value of interest rate options is measured using option-pricing model.
3. The fair value of interest rate swaps is measured by discounting estimated future cash flows to present value based on the interest rates at the end of period or based on the indications obtained from the counterparty financial institution.
4. For option contracts, the figures below the principal amount denoted with [ ] are option premiums.

(3) Equity-related instruments

(Yen in millions)

Type		As of March 31, 2015 Principal amount	Over 1 year	Fair value	Unrealized gains (losses)	As of March 31, 2014 Principal amount	Over 1 year	Fair value	Unrealized gains (losses)
Market transactions	Equity index futures								
	Short	**25,175**	**—**	**(66)**	**(66)**	14,287	—	(115)	(115)
	Long	**—**	**—**	**—**	**—**	1,404	—	52	52
	Equity index options								
	Long	**950**	**—**			—	—		
		[12]	**[—]**	**10**	**(2)**	[—]	[—]	—	—
Over-the-counter transactions	Equity index options								
	Short	**58,306**	**—**			42,047	—		
		[1,667]	**[—]**	**3,378**	**(1,710)**	[1,270]	[—]	3,889	(2,619)
	Long	**77,535**	**14,000**			66,450	19,229		
		[9,058]	**[4,764]**	**6,806**	**(2,252)**	[9,525]	[6,081]	10,493	968
Total		**—**	**—**	**10,129**	**(4,031)**	—	—	14,320	(1,712)

Notes: 1. The fair value of equity index futures and market equity index options is based on the closing prices in principal markets.
2. The fair value of over-the-counter equity index options is based on indications obtained from counterparties.
3. For option contracts, the figures below the principal amount denoted with [ ] are option premiums.

(4) Bond-related instruments

(Yen in millions)

Type		As of March 31, 2015 Principal amount	Over 1 year	Fair value	Unrealized gains (losses)	As of March 31, 2014 Principal amount	Over 1 year	Fair value	Unrealized gains (losses)
Market transactions	Bond futures								
	Short	**141,894**	**—**	**(1,060)**	**(1,060)**	149,386	—	379	379
	Long	**—**	**—**	**—**	**—**	2,895	—	(3)	(3)
	Bond futures options								
	Short	**14,600**	**—**			—	—		
		[12]	**[—]**	**21**	**(9)**	[—]	[—]	—	—
	Long	**14,700**	**—**			—	—		
		[24]	**[—]**	**44**	**19**	[—]	[—]	—	—
Over-the-counter transactions	Bond options								
	Short	**34,775**	**—**			60,694	—		
		[214]	**[—]**	**108**	**105**	[290]	[—]	211	78
	Long	**34,775**	**—**			60,694	—		
		[261]	**[—]**	**431**	**170**	[414]	[—]	758	344
Total		**—**	**—**	**(455)**	**(773)**	—	—	1,346	798

Notes: 1. The fair value of bond futures and bond futures options is based on the closing prices in principal markets.
2. The fair value of bond options is based on the price obtained from counterparties.
3. For option contracts, the figures below the principal amount denoted with [ ] are option premiums.

(5) Credit-related instruments

(Yen in millions)

Type		As of March 31, 2015 Principal amount	Over 1 year	Fair value	Unrealized gains (losses)	As of March 31, 2014 Principal amount	Over 1 year	Fair value	Unrealized gains (losses)
Over-the-counter transactions	Credit derivatives								
	Sell protection	**18,412**	**18,412**	**(807)**	**(807)**	41,883	19,038	(1,229)	(1,229)
Total		**—**	**—**	**(807)**	**(807)**	—	—	(1,229)	(1,229)

Note: The fair value of credit derivatives is measured using an internal valuation model.

(6) Commodity-related instruments

(Yen in millions)

Type		As of March 31, 2015				As of March 31, 2014			
		Principal amount	Over 1 year	Fair value	Unrealized gains (losses)	Principal amount	Over 1 year	Fair value	Unrealized gains (losses)
Over-the-counter transactions	Commodity swaps								
	Rec. fixed price/Pay commodity indices	**2,888**	**2,888**	**(1,684)**	**(1,684)**	4,469	4,442	(4,445)	(4,445)
	Rec. commodity indices/ Pay fixed price	**3,033**	**3,033**	**1,459**	**1,459**	4,784	4,754	4,280	4,280
	Rec. commodity indices/ Pay variable indices.......	—	—	—	—	840	803	(207)	(207)
Total		—	—	**(224)**	**(224)**	—	—	(372)	(372)

Note: The fair value of commodity swaps is measured using an internal valuation model.

(7) Others

(Yen in millions)

Type		As of March 31, 2015				As of March 31, 2014			
		Principal amount	Over 1 year	Fair value	Unrealized gains (losses)	Principal amount	Over 1 year	Fair value	Unrealized gains (losses)
Over-the-counter transactions	Index basket options								
	Long................................	**174,952**	**174,952**			247,292	247,292		
		[43,913]	**[43,913]**	**(3,802)**	**(47,715)**	[34,175]	[34,175]	(3,151)	(37,327)
	Natural disaster derivatives								
	Short	**37,598**	**4,568**			46,171	4,568		
		[2,651]	**[294]**	**1,067**	**1,583**	[4,951]	[294]	1,786	3,164
	Long................................	**20,219**	**4,000**			44,683	4,000		
		[767]	**[—]**	**163**	**(604)**	[3,533]	[—]	1,500	(2,033)
	Weather derivatives								
	Short	**13**	—			72	—		
		[1]	**[—]**	**0**	**0**	[4]	[—]	2	1
	Others								
	Short	—	—			123	—		
		[—]	[—]	—	—	[6]	[—]	6	—
Total..		—	—	**(2,570)**	**(46,736)**	—	—	144	(36,194)

Notes: 1. The fair value of index basket options is based on indications obtained from counterparties.
2. The fair value of natural disaster derivatives is measured using an internal valuation models or based on option premiums.
3. The fair value of weather derivatives is measured considering weather conditions, terms of contracts and other components.
4. The fair value of others is based on option premiums.
5. For option contracts, the figures below the principal amount denoted with [ ] are option premiums.

2. Derivative transactions to which hedge accounting is applied

(1) Foreign currency-related instruments

(Yen in millions)

Type		Hedged items	As of March 31, 2015			As of March 31, 2014		
			Principal amount	Over 1 year	Fair value	Principal amount	Over 1 year	Fair value
Deferred hedges	Currency swaps Pay Yen/Rec. Foreign	Borrowing	—	—	—	5,000	5,000	181
Fair value hedges	Foreign exchange forwards Short	Available-for-sale securities	**303,442**	**125,823**	**(12,577)**	285,655	—	(3,843)
	Currency swaps Pay Foreign/Rec. Yen	Available-for-sale securities	**10,790**	**5,750**	**(2,689)**	11,980	7,843	(1,489)
Assignment accounting	Foreign exchange forwards Short	Bank deposits	**7,001**	—	**(Note 2)**	7,201	—	(Note 2)
Total..			—	—	**(15,266)**	—	—	(5,151)

Notes: 1. The fair value of foreign exchange forwards and currency swaps is measured by discounting estimated future cash flows to present value.
2. The fair value of foreign exchange forwards which is integrally accounted for within hedged items is included in the fair value of bank deposits.

(2) Interest rate-related instruments

(Yen in millions)

Type		Hedged items	As of March 31, 2015			As of March 31, 2014		
			Principal amount		**Fair value**	Principal amount		Fair value
				Over 1 year			Over 1 year	
Deferred hedges	Interest rate swaps Rec. fix/Pay float	Insurance liabilities	**231,600**	**231,600**	**19,181**	206,100	206,100	14,649
Total			**—**	**—**	**19,181**	—	—	14,649

Note: The fair value of interest rate swaps is measured by discounting estimated future cash flows to present value based on the interest rates at the end of period.

Retirement Benefits

1. Outline of the retirement and severance benefit plans

The Company and its major domestic consolidated subsidiaries have an unfunded lump-sum payment retirement plan covering substantially all employees.

Tokio Marine & Nichido has a defined-benefit corporate pension plan and a defined-contribution pension plan. The benefits of the corporate pension plan and lump-sum payment retirement plan are based on the points which each employee acquired through service.

Additionally, some domestic consolidated subsidiaries have an employee retirement trust and some overseas consolidated subsidiaries have a defined benefit plan and defined contribution plan.

2. Defined benefit plan

(1) Changes in retirement benefit obligations

(Yen in millions)

	FY2014 (April 1, 2014–March 31, 2015)	FY2013 (April 1, 2013–March 31, 2014)
Balance at beginning of fiscal year	**443,965**	445,340
Cumulative effects of changes in accounting policies..................................	**17,715**	—
Restated balance	**461,681**	445,340
Service costs	**16,314**	18,814
Interest costs...	**7,366**	6,101
Actuarial (gains) losses arising in current year	**26,513**	(5,872)
Benefit payments	**(22,641)**	(25,451)
Past service costs (credits) arising in current year...	**(1,128)**	(107)
Others..	**3,157**	5,139
Balance at end of fiscal year..	**491,261**	443,965

Note: Some companies use the simplified method in calculation of retirement benefit obligations.

(2) Changes in plan assets

(Yen in millions)

	FY2014 (April 1, 2014–March 31, 2015)	FY2013 (April 1, 2013–March 31, 2014)
Balance at beginning of fiscal year	**223,639**	219,214
Expected return on plan assets	**4,394**	3,963
Actuarial (gains) losses arising in current year	**21,115**	(3,746)
Employer contribution..	**8,845**	9,405
Benefit payments	**(8,888)**	(9,312)
Others..	**2,726**	4,114
Balance at end of fiscal year	**251,831**	223,639

(3) Reconciliation of retirement benefit obligations and plan assets with net defined benefit liabilities and assets

(Yen in millions)

	As of March 31, 2015	As of March 31, 2014
Funded retirement benefit obligations	**272,199**	246,746
Plan assets	**(251,831)**	(223,639)
	20,368	23,106
Unfunded retirement benefit obligations	**219,061**	197,219
Net liabilities recognized in the balance sheets	**239,429**	220,325
Net defined benefit liabilities	**239,838**	221,921
Net defined benefit assets	**(408)**	(1,595)
Net liabilities recognized in the balance sheets	**239,429**	220,325

(4) Severance and retirement benefit expenses

(Yen in millions)

	FY2014 (April 1, 2014–March 31, 2015)	FY2013 (April 1, 2013–March 31, 2014)
Service costs	**16,314**	18,814
Interest costs	**7,366**	6,101
Expected return on plan assets	**(4,394)**	(3,963)
Amortization of actuarial losses (gains)	**14,384**	7,105
Amortization of past service costs (credits)	**(2,661)**	(2,773)
Others	**33**	—
Severance and retirement benefit expenses	**31,042**	25,284

(5) Remeasurements of defined benefit plans included in other comprehensive income

Remeasurements of defined benefit plans (before income tax effect) consisted of the followings:

(Yen in millions)

	FY2014 (April 1, 2014–March 31, 2015)	FY2013 (April 1, 2013–March 31, 2014)
Past service costs	**(1,533)**	—
Actuarial differences	**8,986**	—
Others	**(10)**	—
Total	**7,443**	—

(6) Remeasurements of defined benefit plans included in accumulated other comprehensive income

Remeasurements of defined benefit plans (before income tax effect) consisted of the followings:

(Yen in millions)

	As of March 31, 2015	As of March 31, 2014
Unrecognized past service (costs) credits	**(6,538)**	(8,076)
Unrecognized net actuarial gains (losses)	**36,565**	45,546
Total	**30,027**	37,470

(7) Plan assets

a. Components of plan assets

Percentage by major category of plan assets is as follows:

	As of March 31, 2015	As of March 31, 2014
Debt securities	**86%**	85%
Equity securities	**4%**	5%
Cash and bank deposits	**0%**	0%
Life insurance company general accounts	**7%**	7%
Others	**4%**	3%
Total	**100%**	100%

Note: The retirement benefit trusts established for the corporate pension plan and the lump-sum retirement benefit system account for 3% of total plan assets as of March 31, 2015 and March 31, 2014.

b. Calculation of long-term expected rate of return on plan assets
The long-term expected rate of return on plan assets is determined through consideration of current and future allocation of and returns on the various types of plan assets.

(8) Actuarial assumptions
Principal actuarial assumptions are as follows:

	As of March 31, 2015	As of March 31, 2014
Discount rate	**0.5% - 1.4%**	0.9% - 1.4%
Long-term expected rate of return on plan assets	**1.6% - 1.7%**	1.4% - 2.4%

3. Defined contribution pension plans
The contributions of the Company and its consolidated subsidiaries to the defined contribution pension plan are as follows:

FY2014 (April 1, 2014–March 31, 2015)	FY2013 (April 1, 2013–March 31, 2014)
5,540	4,812

Share Options

1. Expenses related to share options on consolidated statement of income

(Yen in millions)

	FY2014 (April 1, 2014–March 31, 2015)	FY2013 (April 1, 2013–March 31, 2014)
Loss adjustment expenses	**129**	137
Operating and general administrative expenses	**471**	494

2. Details of share options
(1) Details of share options

	Share options (July 2014)	Share options (July 2013)	Share options (July 2012)
Title and number of grantees (Note 1)	Directors of the Company: 10 Executive officers of the Company: 6 Directors of the Company's consolidated subsidiaries: 23 Executive officers of the Company's consolidated subsidiaries: 34	Directors of the Company: 10 Executive officers of the Company: 4 Directors of the Company's consolidated subsidiaries: 23 Executive officers of the Company's consolidated subsidiaries: 30	Directors of the Company: 10 Executive officers of the Company: 4 Directors of the Company's consolidated subsidiaries: 24 Executive officers of the Company's consolidated subsidiaries: 30
Number of share options (Note 2)	Common share: 193,800 shares	Common share: 202,100 shares	Common share: 262,500 shares
Grant date	July 8, 2014	July 9, 2013	July 10, 2012
Vesting conditions	(Note 4)	(Note 4)	(Note 4)
Requisite service period	From July 9, 2014 to June 30, 2015	From July 10, 2013 to June 30, 2014	From July 11, 2012 to June 30, 2013
Exercise period (Note 5)	From July 9, 2014 to July 8, 2044	From July 10, 2013 to July 9, 2043	From July 11, 2012 to July 10, 2042

	Share options (July 2011)	Share options (July 2010)	Share options (July 2009)
Title and number of grantees (Note 1)	Directors of the Company: 11 Executive officers of the Company: 7 Directors of the Company's consolidated subsidiaries: 22 Executive officers of the Company's consolidated subsidiaries: 31	Directors of the Company: 11 Audit & Supervisory Board Member of the Company: 5 Executive officers of the Company: 6 Directors of the Company's consolidated subsidiaries: 22 Audit & Supervisory Board Member of the Company's consolidated subsidiaries: 12 Executive officers of the Company's consolidated subsidiaries: 32	Directors of the Company: 11 Audit & Supervisory Board Member of the Company: 5 Executive officers of the Company: 5 Directors of the Company's consolidated subsidiaries: 23 Audit & Supervisory Board Member of the Company's consolidated subsidiaries: 12 Executive officers of the Company's consolidated subsidiaries: 32
Number of share options (Note 2)	Common share: 222,100 shares	Common share: 238,600 shares	Common share: 213,300 shares
Grant date	July 12, 2011	July 13, 2010	July 14, 2009
Vesting conditions	(Note 4)	(Note 3)	(Note 3)
Requisite service period	From July 13, 2011 to June 30, 2012	From July 14, 2010 to June 30, 2011	From July 15, 2009 to June 30, 2010
Exercise period (Note 5)	From July 13, 2011 to July 12, 2041	From July 14, 2010 to July 13, 2040	From July 15, 2009 to July 14, 2039

	Share options (August 2008)	Share options (July 2007)	Share options (July 2006)
Title and number of grantees (Note 1)	Directors of the Company: 13 Audit & Supervisory Board Member of the Company: 5 Directors of the Company's consolidated subsidiaries: 26 Audit & Supervisory Board Member of the Company's consolidated subsidiaries: 12 Executive officers of the Company's consolidated subsidiaries: 27	Directors of the Company: 12 Audit & Supervisory Board Member of the Company: 5 Directors of the Company's consolidated subsidiaries: 19 Audit & Supervisory Board Member of the Company's consolidated subsidiaries: 8 Executive officers of the Company's consolidated subsidiaries: 21	Directors of the Company: 7 Audit & Supervisory Board Member of the Company: 2 Directors of the Company's consolidated subsidiaries: 17 Audit & Supervisory Board Member of the Company's consolidated subsidiaries: 3 Executive officers of the Company's consolidated subsidiaries: 27
Number of share options (Note 2)	Common share: 122,100 shares	Common share: 86,700 shares	Common share: 97,000 shares
Grant date	August 26, 2008	July 23, 2007	July 18, 2006
Vesting conditions	(Note 3)	(Note 3)	(Note 3)
Requisite service period	From August 27, 2008 to June 30, 2009	From July 24, 2007 to June 30, 2008	From July 19, 2006 to June 30, 2007
Exercise period (Note 5)	From August 27, 2008 to August 26, 2038	From July 24, 2007 to July 23, 2037	From July 19, 2006 to July 18, 2036

	Share options (July 2005)
Title and number of grantees (Note 1)	Directors of the Company: 11 Audit & Supervisory Board Member of the Company: 5 Directors of the Company's consolidated subsidiaries: 15 Audit & Supervisory Board Member of the Company's consolidated subsidiaries: 5 Executive officers of the Company's consolidated subsidiaries: 27
Number of share options (Note 2)	Common share: 155,000 shares
Grant date	July 14, 2005
Vesting conditions	(Note 3)
Requisite service period	From July 15, 2005 to June 30, 2006
Exercise period (Note 5)	From July 15, 2005 to June 30, 2035

Notes: 1. The number of directors of the Company's consolidated subsidiaries and executive officers of the Company's consolidated subsidiaries exclude those concurrently serving as directors of the Company and executive officers of the Company.
2. The number of share options is converted into the number of equivalent shares.
3. Share options are vested on the date of grant. If directors, executive officers or Audit & Supervisory Board Member of the Company or the Company's subsidiaries retire their position before the end of service period, the number of exercisable share options is calculated by the following formula:
Exercisable share options = Share options allotted × Months of service from July in the fiscal year of grant to the month of retirement / 12
Remaining share options can not be exercised after the retirement date and then are expired.
4. Share options are vested on the date of grant. If directors or executive officers of the Company or the Company's subsidiaries retire their position before the end of service period, the number of exercisable share options is calculated by the following formula:
Exercisable share options = Share options allotted × Months of service from July in the fiscal year of grant to the month of retirement / 12
Remaining share options can not be exercised after the retirement date and then are expired.
5. Share options can be exercised within only ten days from the next day of the retirement date from directors, executive officers or Audit & Supervisory Board Member.

(2) Figures relating to the share options

The number of share options existing in the fiscal year ended March 31, 2015 is converted into the number of equivalent shares and listed.

(a) Number of the share options

	Share options (July 2014)	Share options (July 2013)	Share options (July 2012)	Share options (July 2011)	Share options (July 2010)	Share options (July 2009)	Share options (August 2008)	Share options (July 2007)	Share options (July 2006)	Share options (July 2005)
Share options before vesting (converted into the number of equivalent shares)										
Outstanding at the beginning of the fiscal year	—	46,400	—	—	—	—	—	—	—	—
Granted	193,800	—	—	—	—	—	—	—	—	—
Forfeited	—	6,900	—	—	—	—	—	—	—	—
Vested	151,300	39,500	—	—	—	—	—	—	—	—
Outstanding at the end of the fiscal year	42,500	—	—	—	—	—	—	—	—	—
Exercisable share options (converted into the number of equivalent shares)										
Outstanding at the beginning of the fiscal year	—	155,700	198,400	141,000	115,200	82,500	31,500	17,100	10,500	9,000
Vested	151,300	39,500	—	—	—	—	—	—	—	—
Exercised	—	22,500	34,000	26,300	31,400	30,500	14,900	8,800	5,000	3,000
Forfeited	—	—	—	—	—	—	—	—	—	—
Outstanding at the end of the fiscal year	151,300	172,700	164,400	114,700	83,800	52,000	16,600	8,300	5,500	6,000

Note: On September 30, 2006, the Company conducted a share split in the ratio of 500:1. The above numbers are presented on an after share split basis.

(b) Price information

	Share options (July 2014)	Share options (July 2013)	Share options (July 2012)	Share options (July 2011)	Share options (July 2010)	Share options (July 2009)	Share options (August 2008)	Share options (July 2007)	Share options (July 2006)	Share options (July 2005)
Exercise price (Note)	¥ 100	¥ 100	¥ 100	¥ 100	¥ 100	¥ 100	¥ 100	¥ 100	¥ 500	¥ 500
Average share price at exercise	¥ —	¥ 3,113	¥ 3,107	¥ 3,160	¥ 3,225	¥ 3,240	¥ 3,235	¥ 3,286	¥ 3,364	¥3,475
Fair value on the grant date	¥310,800	¥332,600	¥181,900	¥219,500	¥234,400	¥237,600	¥353,300	¥491,700	¥2,013,506	¥ —

Note: Exercise price per one share option.

3. Valuation technique used for the estimated fair value of share options

Valuation technique used for the estimated fair value of share options granted in July 2014 in the fiscal year ended March 31, 2015 is as follows:

(1) Valuation technique: Black-Scholes Model

(2) Assumptions

	Share options (July 2014)
Expected volatility (Note 1)	31.79%
Expected lives (Note 2)	2 years
Expected dividends (Note 3)	¥62.50
Risk-free interest rate (Note 4)	0.07%

Notes: 1. Computed based on the share prices from July 9, 2012 to July 8, 2014.
2. Computed based on the average period of service of directors and Audit & Supervisory Board Member.
3. Computed based on the average amount of annual dividends paid in the fiscal year ended March 31, 2013 and the fiscal year ended March 31, 2014.
4. Based on yields of Japanese government bonds for a term corresponding to the expected lives.

4. Estimate of vested number of share options

Only the actual number of forfeited share options is considered because it is difficult to rationally estimate the number of share options that will be forfeited in the future.

Deferred Tax Accounting

1. Significant balances of deferred tax assets and deferred tax liabilities

(Yen in millions)

	As of March 31, 2015	As of March 31, 2014
Deferred tax assets		
Underwriting reserves	**337,700**	357,010
Net defined benefit liabilities	**72,633**	70,387
Outstanding claims	**63,441**	63,105
Net operating loss carry forward	**26,068**	47,538
Price fluctuation reserve	**23,813**	24,181
Impairment losses on securities	**21,080**	22,689
Others	**115,326**	108,981
Subtotal	**660,064**	693,893
Valuation allowance	**(29,503)**	(64,791)
Total deferred tax assets	**630,560**	629,101
Deferred tax liabilities		
Unrealized gains on securities	**(752,289)**	(553,252)
Unrealized gains on consolidated subsidiaries	**(73,505)**	(70,254)
Others	**(140,025)**	(117,308)
Total deferred tax liabilities	**(965,820)**	(740,815)
Net deferred tax assets (liabilities)	**(335,259)**	(111,714)

2. Reconciliation between the effective tax rate of the Company and the Japanese statutory income tax rate

(%)

	As of March 31, 2015	As of March 31, 2014
Japanese statutory tax rate	**35.6**	38.0
(Adjustments)		
Permanent differences such as dividends received	**(6.5)**	(7.4)
Permanent differences such as entertainment expenses	**0.6**	0.7
Valuation allowance	**(10.5)**	2.5
Tax rate applied to consolidated subsidiaries	**(2.7)**	(7.3)
Amortization of goodwill and negative goodwill	**2.0**	2.6
Revision of deferred tax assets at year end due to the change in income tax rate	**9.6**	3.2
Others	**(1.8)**	(0.9)
Effective tax rate	**26.2**	31.3

3. Adjustment of deferred tax assets and liabilities due to changes in the corporate income tax rate

Following the promulgation of the "Act for Partial Amendment of the Income Tax Act, etc." (Act No. 9, 2015) on March 31, 2015, Japanese Corporation Tax is reduced effective for the fiscal years beginning on and after April 1, 2015.

As a result of this change, deferred tax liabilities (net of deferred tax assets) decreased by 15,566 million yen, and unrealized gains on securities, net of taxes increased by 49,135 million yen. Also, income before income taxes and non-controlling interests increased by 2,296 million yen and net income decreased by 30,119 million yen.

The Company and Tokio Marine & Nichido Fire Insurance Co., Ltd. applied following statutory effective tax rates for the calculation of deferred tax assets and liabilities related to the temporary differences which will be resolved in the fiscal years beginning on and after April 1, 2015:

a. The Company
- Before the change: 35.6%
- Fiscal year beginning on April 1, 2015: 33.1%
- Fiscal years beginning on and after April 1, 2016: 32.3%

b. Tokio Marine & Nichido Fire Insurance Co., Ltd.
- Before the change: 30.7%
- Fiscal years beginning on and after April 1, 2015: 28.7%

Business Combinations and Other Matters

Transactions under Common Control
Tokio Marine & Nichido Life Insurance Co., Ltd. (“Tokio Marine & Nichido Life”) and Tokio Marine & Nichido Financial Life Insurance Co., Ltd. (“Tokio Marine & Nichido Financial Life”) merged on October 1, 2014 pursuant to a merger agreement concluded on June 19, 2014.

1. Outline of the transaction
   (1) Company name and business
      a. Combined company
         Name: Tokio Marine & Nichido Life Insurance Co., Ltd.
         Business: Life insurance
      b. Merged company
         Name: Tokio Marine & Nichido Financial Life Insurance Co., Ltd.
         Business: Life insurance
   (2) Date of the business combination
      October 1, 2014
   (3) Form of the business combination
      Absorption merger with Tokio Marine & Nichido Life as the surviving company
   (4) Company name after combination
      Tokio Marine & Nichido Life Insurance Co., Ltd.
   (5) Additional information
      Tokio Marine & Nichido Life and Tokio Marine & Nichido Financial Life will combine the strengths and expertise they have acquired into a single company to further promote “customer-oriented life insurance business” while raising management efficiency, flawlessly managing in-force policies, and maintaining financial soundness. Accordingly, the newly merged company will target the continuous growth of the Tokio Marine Group’s domestic life insurance business.

2. Accounting treatment
   The Company is accounting for the business combination as a transaction under common control in accordance with “Accounting Standard for Business Combinations” (ASBJ Statement No. 21, December 26, 2008) and “Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No. 10, December 26, 2008).

Asset Retirement Obligations

Asset retirement obligations recorded on the consolidated balance sheet

1. Outline of the asset retirement obligations
   Asset retirement obligations were recognized in connection with the restoration of certain leased sites to their original condition at the end of lease term. In addition, asset retirement obligations were recognized in connection with the removal of hazardous substances from certain Company-owned properties.

2. Measurement of asset retirement obligations
   In estimating asset retirement obligations, an expected useful life of 7 to 50 years and a discount rate of 0.3% to 2.3% are used.

3. Changes in balance

(Yen in millions)

	FY2014 (April 1, 2014–March 31, 2015)	FY2013 (April 1, 2013–March 31, 2014)
Balance at beginning of fiscal year	**3,498**	3,615
Addition by acquisitions	**1,224**	89
Unwinding of discount	**44**	45
Decrease by fulfill obligations	**(133)**	(312)
Other increases (decreases)	**3**	59
Balance at end of fiscal year	**4,637**	3,498

Investment Property

1. Some of the consolidated subsidiaries own office buildings and land mainly in Tokyo, Osaka and Nagoya, of which some properties are leased. The carrying amount, change in carrying amount during the fiscal year and the fair value at end of the fiscal year of these investment properties are as follows:

(Yen in millions)

	FY2014 (April 1, 2014–March 31, 2015)	FY2013 (April 1, 2013–March 31, 2014)
Carrying amount shown on balance sheet		
Balance at beginning of fiscal year	**77,269**	78,795
Change	**(8,154)**	(1,526)
Balance at end of fiscal year	**69,115**	77,269
Ending fair value	**137,776**	135,190

Notes: 1. Carrying amount is the amount that the accumulated depreciation and the accumulated impairment losses are deducted from the cost of acquisition.
2. In the fiscal year 2014, the principal decreases include 3,416 million yen due to disposals and 2,814 million yen due to a change in the intended use of real estate property from rental property to business-use property. In the fiscal year 2013, the principal increases include 6,919 million yen due to a change in the intended use of real estate property from business-use property to rental property. The principal decreases include 5,139 million yen due to disposals and 3,036 million yen due to depreciation.
3. Fair value as of March 31, 2015 is primarily based on appraisals by qualified external valuers.

2. Income and expenses related to investment property are as follows:

(Yen in millions)

	FY2014 (April 1, 2014–March 31, 2015)	FY2013 (April 1, 2013–March 31, 2014)
Rental income	**8,693**	9,078
Direct operating expenses	**6,666**	7,599
Net amount	**2,026**	1,479
Others (Gains and losses on disposal by sales)	**454**	1,102

Note: Rental income is included in “Interest and dividends”. Direct operating expenses such as depreciation, repair, insurance costs and taxes are included in “Operating and general administrative expenses”. “Others”, such as gains and losses on disposal by sales and impairment losses, is included in “Extraordinary gains” or “Extraordinary losses”.

Segment Information

1. Segment information

(1) Outline of reportable segments

The Company, as a holding company that controls the group's business, establishes basic policies about group business management, formulates corporate strategies based on the surrounding business environment and promotes the group's business activities. The Company classifies its operations into four segments following its corporate strategies: "Domestic property and casualty insurance", "Domestic life insurance", "Overseas insurance" and "Finance and others".

"Domestic property and casualty insurance" primarily comprises underwriting property and casualty insurance in Japan and related investments. "Domestic life insurance" primarily comprises underwriting of life insurance in Japan and related investments. "Overseas insurance" primarily comprises underwriting of insurance overseas and related investments. In "Finance and others", the main businesses are investment advisory, investment trusts services, staffing business, facility management business and nursing care services.

(2) Measurement of ordinary income, profit (loss), assets, liabilities and other items by reportable segments

The accounting treatment for reported operating segments is the same as described in "Significant accounting policies". Segment profit is based on ordinary profit. Ordinary income from transactions with other operating segments is based on prevailing market prices.

(3) Ordinary income, profit (loss), assets, liabilities and other items by reportable segments

■ **FY2014 (April 1, 2014–March 31, 2015)**

(Yen in millions)

	Reportable segments						
	Domestic property and casualty insurance	Domestic life insurance	Overseas insurance	Finance and others	Total	Adjustments (Note 1)	Amounts shown on the consolidated financial statements (Note 2)
Ordinary income							
Ordinary income from external customers	2,564,357	327,348	1,423,249	51,026	4,365,982	(37,999)	4,327,982
Ordinary income from transactions with other operating segments	8,411	53	349	23,802	32,617	(32,617)	—
Total	2,572,769	327,402	1,423,598	74,829	4,398,599	(70,616)	4,327,982
Segment profit	203,952	19,130	128,770	6,342	358,197	(15)	358,182
Segment assets	8,550,204	7,029,630	5,277,596	53,269	20,910,700	(21,030)	20,889,670
Other items							
Depreciation	13,424	378	28,300	507	42,611	—	42,611
Amortization of goodwill	369	—	29,771	—	30,140	—	30,140
Amortization of negative goodwill	8,917	248	917	145	10,229	—	10,229
Interest and dividends	131,542	81,552	152,302	272	365,670	(1,043)	364,627
Interest expenses	1,758	713	4,118	35	6,625	(24)	6,601
Equity in earnings of affiliates	—	—	304	—	304	—	304
Investments in affiliates accounted for by the equity method	—	—	23,240	—	23,240	—	23,240
Increase in tangible and intangible fixed assets	7,735	332	14,606	185	22,859	(44)	22,814

Notes: 1. Descriptions of "Adjustments" are as follows:

(1) The major component of "Adjustments" for "Ordinary income from external customers" amounted to (37,999) million yen is the transfer of "Reversal of outstanding claims" of 25,200 million yen. This item is included in "Ordinary income" of "Domestic property and casualty insurance" segment, while this amount is included in "Provision for outstanding claims" within "Ordinary expenses" in the consolidated statement of income.

(2) "Adjustments" for "Segment profit" of (15) million yen is the elimination of inter-segment transactions.

(3) "Adjustments" for "Segment assets" of (21,030) million yen is the elimination of inter-segment transactions.

(4) "Adjustments" for "Other items" is the elimination of inter-segment transactions.

2. "Segment profit" is reconciled to "Ordinary profit" in the consolidated statement of income.

■ FY2013 (April 1, 2013–March 31, 2014)

(Yen in millions)

	Reportable segments					Adjustments (Note 1)	Amounts shown on the consolidated financial statements (Note 2)
	Domestic property and casualty insurance	Domestic life insurance	Overseas insurance	Finance and others	Total		
Ordinary income							
Ordinary income from external customers	2,428,130	542,674	1,162,714	50,740	4,184,260	(18,129)	4,166,130
Ordinary income from transactions with other operating segments	8,187	268	258	24,400	33,115	(33,115)	—
Total	2,436,318	542,942	1,162,972	75,141	4,217,375	(51,244)	4,166,130
Segment profit	116,765	28,574	123,274	5,777	274,392	(5)	274,386
Segment assets	7,739,844	6,966,350	4,170,614	99,908	18,976,718	(28,717)	18,948,000
Other items							
Depreciation	14,495	383	26,748	462	42,089	—	42,089
Amortization of goodwill	296	—	29,253	—	29,549	—	29,549
Amortization of negative goodwill	8,917	248	917	145	10,229	—	10,229
Interest and dividends	120,223	77,650	108,618	403	306,896	(1,080)	305,816
Interest expenses	2,115	1,031	3,561	24	6,732	(6)	6,726
Equity in earnings (losses) of affiliates	—	—	(1,080)	—	(1,080)	—	(1,080)
Investments in affiliates accounted for by the equity method	—	—	16,892	—	16,892	—	16,892
Increase in tangible and intangible fixed assets	10,994	864	8,056	435	20,351	(70)	20,280

Notes: 1. Descriptions of "Adjustments" are as follows:
(1) The major component of "Adjustments" for "Ordinary income from external customers" amounted to (18,129) million yen is the transfer of "Reversal of underwriting reserves" of 14,086 million yen. This item is included in "Ordinary income" of "Domestic property and casualty insurance" segment, while this amount is included in "Provision for underwriting reserves" within "Ordinary expenses" in the consolidated statement of income.
(2) "Adjustments" for "Segment profit" of (5) million yen is the elimination of inter-segment transactions.
(3) "Adjustments" for "Segment assets" of (28,717) million yen is the elimination of inter-segment transactions.
(4) "Adjustments" for "Other items" is the elimination of inter-segment transactions.
2. "Segment profit" is reconciled to "Ordinary profit" in the consolidated statement of income.

2. Related information

■ FY2014 (April 1, 2014–March 31, 2015)

(1) Information about products and services

(Yen in millions)

	Property and casualty insurance	Life insurance	Others	Subtotal	Adjustments	Total
Ordinary income from external customers	**3,588,106**	**689,783**	**51,026**	**4,328,917**	**(934)**	**4,327,982**

Note: The major component of "Adjustments" is the transfer of equity in earnings (losses) of affiliates in the consolidated statement of income.

(2) Information about geographical areas

a. Ordinary income

(Yen in millions)

Japan	United States	Others	Subtotal	Adjustments	Total
2,837,030	**868,338**	**644,115**	**4,349,484**	**(21,502)**	**4,327,982**

Notes: 1. Classified by country and region based on customer location.
2. The major component of "Adjustments" is the transfer of provision for/reversal of outstanding claims in the consolidated statement of income.

b. Tangible fixed assets

(Yen in millions)

Japan	Overseas	Total
242,205	**40,561**	**282,766**

(3) Information about major customers

None.

■ FY2013 (April 1, 2013–March 31, 2014)
(1) Information about products and services

(Yen in millions)

	Property and casualty insurance	Life insurance	Others	Subtotal	Adjustments	Total
Ordinary income from external customers	3,289,120	829,234	50,740	4,169,094	(2,964)	4,166,130

Note: The major component of "Adjustments" is the transfer of gains and losses on trading securities in the consolidated statement of income.

(2) Information about geographical areas
a. Ordinary income

(Yen in millions)

Japan	United States	Others	Subtotal	Adjustments	Total
2,956,696	680,437	543,331	4,180,465	(14,335)	4,166,130

Notes: 1. Classified by country and region based on customer location.
2. The major component of "Adjustments" is the transfer of provision for/reversal of outstanding claims in the consolidated statement of income.

b. Tangible fixed assets

(Yen in millions)

Japan	Overseas	Total
267,499	33,253	300,753

(3) Information about major customers
None.

3. Impairment losses of fixed assets by reportable segments

■ FY2014 (April 1, 2014–March 31, 2015)

(Yen in millions)

	Domestic property and casualty insurance	**Domestic life insurance**	**Overseas insurance**	**Finance and others**	**Total**
Impairment losses	**14,141**	—	—	**5**	**14,147**

■ FY2013 (April 1, 2013–March 31, 2014)

(Yen in millions)

	Domestic property and casualty insurance	Domestic life insurance	Overseas insurance	Finance and others	Total
Impairment losses	956	4	—	19	980

4. Amortization and remaining balance of goodwill by reportable segments

■ FY2014 (April 1, 2014–March 31, 2015)
(1) Goodwill

(Yen in millions)

	Domestic property and casualty insurance	**Domestic life insurance**	**Overseas insurance**	**Finance and others**	**Total**
Amortization	**369**	—	**29,771**	—	**30,140**
Remaining balance as of March 31, 2015	**1,341**	—	**224,552**	—	**225,894**

(2) Negative goodwill

(Yen in millions)

	Domestic property and casualty insurance	**Domestic life insurance**	**Overseas insurance**	**Finance and others**	**Total**
Amortization	**8,917**	**248**	**917**	**145**	**10,229**
Remaining balance as of March 31, 2015	**65,774**	**1,742**	**11,008**	**1,531**	**80,056**

■ FY2013 (April 1, 2013–March 31, 2014)

(1) Goodwill

(Yen in millions)

	Domestic property and casualty insurance	Domestic life insurance	Overseas insurance	Finance and others	Total
Amortization	296	—	29,253	—	29,549
Remaining balance as of March 31, 2014	1,625	—	248,571	—	250,196

(2) Negative goodwill

(Yen in millions)

	Domestic property and casualty insurance	Domestic life insurance	Overseas insurance	Finance and others	Total
Amortization	8,917	248	917	145	10,229
Remaining balance as of March 31, 2014	74,692	1,991	11,925	1,676	90,286

5. Gains on negative goodwill by reportable segments

None.

Related-party Transactions

There are no material transactions to be disclosed.

Per Share Information

(Yen)

	FY2014 (April 1, 2014–March 31, 2015)	FY2013 (April 1, 2013–March 31, 2014)
Net assets per share	**4,742.52**	3,535.84
Net income per share–basic	**323.97**	239.98
Net income per share–diluted	**323.66**	239.75

Notes: 1. As described on the section of "Changes in Accounting Policies" in "Significant Accounting Policies", the Company has been applying the Accounting Standard for Retirement Benefits and the Guidance on Accounting Standard for Retirement Benefits and the application is subject to the transitional accounting treatment set forth in Clause 37 of the Accounting Standard for Retirement Benefits.

As a result, "Net assets per share" at the beginning of the fiscal year 2014 was decreased by 15.99 yen and "Net income per share - Basic" and "Net income per share - Diluted" were both increased by 1.13 yen.

2. Calculation of "Net income per share– Basic" and "Net income per share– Diluted" is based on the following figures.

	FY2014 (April 1, 2014–March 31, 2015)	FY2013 (April 1, 2013–March 31, 2014)
Net income per share–basic		
Net income (Yen in millions)	**247,438**	184,114
Net income not attributable to common shareholders (Yen in millions)	—	—
Net income attributable to common shares (Yen in millions)	**247,438**	184,114
Average number of shares outstanding (In thousand shares)	**763,755**	767,199
Net income per share–diluted		
Adjustment of net income (Yen in millions)	—	—
Increased number of common shares (In thousand shares)	**739**	740
Increased number of share acquisition rights (In thousand shares)	**739**	740

Significant Subsequent Events

The Company agreed to acquire 100% of the outstanding shares of HCC Insurance Holdings, Inc. ("HCC"), a U.S. insurance holding company comprising property & casualty, accident & health and other specialty insurance business (hereinafter: "the Acquisition"), for approximately USD 7,530 million (approximately 937,183 million yen) through the Company's wholly owned subsidiary, Tokio Marine & Nichido Fire Insurance Co., Ltd. ("TMNF") on June 10, 2015.

(1) Purpose of the acquisition

The purpose of the acquisition is to establish a more solid Group business foundation. HCC has a highly profitable and diversified business portfolio that complements the Company's existing businesses without significant overlap. The Acquisition will therefore further diversify the Company's business portfolio, improve the Group's capital efficiency, and enable sustainable profit growth.

(2) Overview of HCC

1. Company name: HCC Insurance Holdings, Inc.
2. Registered office: Wilmington, Delaware U.S.A.
3. Nature of business: Insurance group holding company
4. Gross premiums written (for the year ended December 31, 2014): USD 3,001 million (373,581 million yen)
5. Total assets (as of December 31, 2014): USD 10,714 million (1,333,507 million yen)

(3) Financing of the acquisition cost

The Acquisition will be financed through the utilization of Tokio Marine Group's cash on hand and borrowings.

(4) Acquisition process

Under and in accordance with applicable laws and regulations in the U.S., the Acquisition will be implemented by first establishing Tokio Marine & Nichido's special purpose company in Delaware, and then merging it with and into HCC. Through this process, Tokio Marine & Nichido will purchase all outstanding shares in return for consideration to HCC's shareholders. The Acquisition is subject to approval of HCC's shareholders and the approval of various regulatory authorities, as well as other customary closing conditions.

(5) Closing

The Company expects to complete the Acquisition during October to December in 2015.

(Note) U.S. dollars were converted to Japanese yen based on the exchange rate as of June 10, 2015.

Related Information to the Consolidated Financial Statements

(Corporate bonds)

Issuer	Series	Issue Date	Beginning balance (Yen in millions)	Ending balance (Yen in millions)	Coupon (%)	Collateral	Maturity
Tokio Marine & Nichido Fire Insurance Co., Ltd.	4th Unsecured Bond	Sep 20, 2000	10,000	10,000	2.78	None	Sep 18, 2020
	Power Reverse Dual Currency Bond	Aug 18, 2003 to Jul 3, 2008	12,950	3,650	0.25-11.96	None	Apr 14, 2014 to Nov 16, 2037
	Nikkei Average Linked Bond	Feb 6, 2006 to Dec 17, 2007	4,500	2,800	2.85-6.88	None	Nov 20, 2014 to Nov 20, 2037
	CMS Floater	Apr 26, 2005	240	240	0.81	None	Apr 26, 2017
	FX Linked Digital Coupon	Feb 15, 2006 to Oct 23, 2006	950	100	5.20-8.60	None	Oct 24, 2014 to May 8, 2036
	Snow Ball	Aug 15, 2005 to Jan 30, 2006	2,450	2,250	0.00-1.37	None	Sep 11, 2014 to Sep 16, 2025
	FX Linked Coupon	Sep 12, 2005 to Oct 21, 2008	45,000	30,470 [1,130]	0.00-19.73	None	Apr 22, 2014 to Oct 21, 2038
Delphi Financial Group, Inc.	Subordinated Bond in USD	May 23, 2007	18,292 (USD 173,568 thousand)	20,931 (USD 173,629 thousand)	7.38	None	May 1, 2067
	Straight Bond in USD	Jan 20, 2010	29,993 (USD 284,594 thousand)	33,622 (USD 278,907 thousand)	7.88	None	Jan 31, 2020
Segregated Account Omamori	Cat Bond in USD (Note 3)	Jan 17, 2014	—	3,013 (USD 25,000 thousand)	5.00	Yes	Jan 24, 2017
Total		—	124,375	107,077 [1,130]	—	—	—

Notes: 1. The figures in parentheses ( ) in the columns for the beginning balance and the ending balance are the foreign-currency-denominated amounts.
2. The figure in square brackets [ ] in the column for the ending balance is the amount of long-term borrowings to be repaid within 1 year.
3. Cat Bond in USD is issued by a special-purpose company and correspond to non-recourse debt.
4. Principal amounts to mature within 5 years after the closing date are as follows:

(Yen in millions)

	Within 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 4 Years	Over 4 to 5 Years
Corporate bonds	1,130	500	1,940	—	—
Non-recourse corporate bonds	—	—	3,013	—	—

(Borrowings)

	Beginning balance (Yen in millions)	Ending balance (Yen in millions)	Average Interest rate (%)	Maturity
Long-term borrowings to be repaid within 1 year	100,001	3,617	1.2	—
Obligations under lease transactions to be repaid within 1 year	743	358	4.1	—
Long-term borrowings other than that which to be repaid within 1 year	177,027	198,474	1.0	May 23, 2017 to Mar 20, 2024
Obligations under lease transactions other than that which to be repaid within 1 year	529	491	3.9	Apr 5, 2016 to Feb 28, 2020
Total	278,302	202,942	—	—

Notes: 1. Average interest rate is calculated based on the interest rate as of the end of the fiscal year and principal amount outstanding.
2. The above amount is included in "Other liabilities" in the consolidated balance sheet.
3. Repayment schedule of long-term borrowings and obligations under lease transactions other than that which is to be repaid within 1 year during 5 years after the closing date is as follows:

(Yen in millions)

	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 4 Years	Over 4 to 5 Years
Long-term borrowings	1	156,222	33,755	1
Lease obligations	340	155	18	1

(Schedule of Asset Retirement Obligations)
Detailed information is omitted because of its immateriality.

Quarterly Results

Quarterly results for the year ended March 31, 2015

Cumulative period	First quarter	Second quarter	Third quarter	For the year
Ordinary income (Yen in millions)	**1,118,495**	**2,172,864**	**3,245,357**	**4,327,982**
Quarterly net income before income taxes (Yen in millions)	**115,267**	**173,829**	**247,080**	**337,991**
Quarterly net income (Yen in millions)	**88,425**	**142,943**	**214,037**	**247,438**
Quarterly net income per share (Yen)	**115.23**	**186.27**	**279.18**	**323.97**

Accounting period	First quarter	Second quarter	Third quarter	Fourth quarter
Quarterly net income (loss) per share (Yen)	**115.23**	**71.04**	**92.90**	**44.23**

Independent Auditor's Report

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Independent Auditor's Report

To the Board of Directors of Tokio Marine Holdings, Inc.:

We have audited the accompanying consolidated financial statements of Tokio Marine Holdings, Inc. ("the Company") and its consolidated subsidiaries, which comprise the consolidated balance sheet as at March 31, 2015, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in shareholder's equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, while the purpose of the financial statements audit is not to express an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company and its consolidated subsidiaries as at March 31, 2015, and their financial performance and cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

Emphasis of Matter

1. We draw attention to Significant Accounting Policies of the consolidated financial statements, which describes the Company has been applying the provisions stated in Clause 35 of the Accounting Standard for Retirement Benefits (ASBJ (The Accounting Standards Board of Japan) Statement No. 26, May 17, 2012) and in Clause 67 of the Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No.25, May 17, 2012) since the beginning of the fiscal year 2014.

2. We draw attention to Significant Subsequent Events of the consolidated financial statements, which describes the Company agreed to acquire 100% of the outstanding shares of HCC Insurance Holdings, Inc., a U.S. insurance holding company comprising property & casualty, accident & health and other specialty insurance business through the Company's wholly owned subsidiary, Tokio Marine & Nichido Fire Insurance Co., Ltd. on June 10, 2015.

Our opinion is not modified with respect to these matters.

PricewaterhouseCoopers Aarata

August 28, 2015

PricewaterhouseCoopers Aarata
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Solvency Margin Ratio

Situation of the enhancement of the ability to pay for insurance claims, etc. of an insurance holding company and its subsidiary companies, etc.

Tokio Marine Holdings' solvency margin ratio (consolidated)

(Yen in millions, except for %)

Item	As of March 31, 2015	As of March 31, 2014
Total amount of solvency margin (A)	**5,336,308**	4,261,365
Shareholders' equity less adjusting items	**1,135,707**	974,838
Price fluctuation reserve	**82,945**	78,763
Contingency reserve	**48,380**	40,450
Catastrophe loss reserve	**1,010,824**	944,607
General allowance for doubtful accounts	**2,867**	3,063
Net unrealized gains (losses) on securities (prior to tax effect deductions)	**2,360,278**	1,627,282
Net unrealized gains (losses) on land	**177,023**	152,891
Total amount of unrecognized actuarial difference and unrecognized prior service costs (prior to tax effect deductions)	**(31,142)**	(37,117)
Excess of premium reserves, etc.	**254,890**	216,898
Subordinated debt, etc.	—	—
Amounts within "Excess of premium reserves, etc." and "Subordinated debt, etc." not calculated into the margin	—	—
Total margin of Small Amount and Short Term Insurer	**82**	0
Deductions	**55,301**	68,417
Others	**349,751**	328,102
Total amount of risks (B) $\sqrt{(\sqrt{R_1^2+R_2^2}+R_3+R_4)^2+(R_5+R_6+R_7)^2}+R_8+R_9$	**1,365,965**	1,169,944
General insurance risk on property and casualty insurance contracts (R_1)	**275,627**	252,849
Life insurance risk (R_2)	**53,215**	43,229
Third sector insurance risk (R_3)	**4,562**	4,112
Insurance risk of Small Amount and Short Term Insurer (R_4)	**40**	83
Assumed interest risk (R_5)	**31,892**	33,536
Minimum guarantee risk on life insurance contracts (R_6)	**3,335**	4,144
Asset management risk (R_7)	**938,638**	757,968
Business administration risk (R_8)	**32,519**	28,170
Catastrophe risk on property and casualty insurance contracts (R_9)	**318,644**	304,499
Solvency margin ratio [(A)/{(B) × 1/2}] × 100 (C)	**781.3%**	728.4%

Note: "Solvency margin ratio" on a consolidated basis is calculated in accordance with Article 210 paragraph 11, section 3 and section 4 of the Enforcement Regulation of the Insurance Business Act and with Ordinance No. 23 issued by Financial Service Agency in 2011.

Solvency margin ratio (consolidated)

1. Most subsidiaries in Tokio Marine Group engage in the property and casualty insurance business, life insurance business and Small Amount and Short Term insurance business. In addition to reserves to cover claim payments and payments for maturity-refunds of saving type insurance policies, etc., it is necessary for insurance groups to maintain sufficient solvency in order to cover against risks which may exceed their usual estimates, i.e., the occurrences of catastrophe, a significant decline in value of assets held, etc.

2. The consolidated solvency margin ratio (C), which is calculated in accordance with the Insurance Business Act, is the ratio of "solvency margin of insurance company groups by means of their capital, reserves, etc." (total amount of solvency margin: (A)) to "risks which will exceed their usual estimates" (total amount of risks: (B)).

3. "Risks which will exceed their usual estimates" (total amount of risks; (B)) is composed of risks described below.
   (1) General insurance risk on property and casualty insurance contracts, life insurance risk, third sector insurance risk and insurance risk of Small Amount and Short Term Insurer: risks of occurrence of insurance claims in excess of normal expectations (excluding catastrophe risk on property and casualty insurance contracts)
   (2) Assumed interest risk: risks of invested assets failing to yield assumed interest rates due to the aggravation of investment conditions than expected.
   (3) Minimum guarantee risk (on life insurance contracts): risks related to the minimum guarantee for benefits of insurance contracts which are managed as a separate account.
   (4) Asset management risk: risks of retained securities and other assets fluctuating in prices in excess of expectations.
   (5) Business administration risk: risks beyond normal expectations arising from business management that does not fall under other categories (1) to (4) or (6).
   (6) Catastrophe risk (on property and casualty insurance contracts): risks of the occurrences of major catastrophic losses in excess of normal expectations occurring. (risks such as the Great Kanto Earthquake or Isewan Typhoon)

4. Subsidiaries that were excluded from the scope of consolidation in preparation of consolidated financial statements due to immateriality were taken into calculation of the consolidated solvency margin ratio.

5. The ability of an insurance company group to pay claims by means of their capital, reserves, etc. (total amount of solvency margin) is the total amount of the Company's and its subsidiaries' net assets (excluding amounts appropriated as retained earnings), certain reserves (reserve for price fluctuations, contingency reserves and catastrophe reserves, etc.) and parts of net unrealized gains on land.

6. The consolidated solvency margin ratio is one of the indicators for the regulatory authorities to supervise insurance company groups. A ratio exceeding 200% indicates adequate ability to meet payments of insurance claims.

Situation of the enhancement of the ability to pay for insurance claims, etc. of major domestic subsidiaries

Solvency margin ratio (non-consolidated) for Tokio Marine & Nichido Fire Insurance Co., Ltd.

(Yen in millions, except for %)

Item	As of March 31, 2015	As of March 31, 2014
Total amount of solvency margin (A)	**4,462,610**	3,720,871
Shareholders' equity less adjusting items	**883,688**	812,372
Price fluctuation reserve	**76,134**	72,560
Contingency reserve	**746**	—
Catastrophe loss reserve	**956,583**	890,868
General allowance for doubtful accounts	**640**	1,037
Net unrealized gains (losses) on securities (prior to tax effect deductions)	**2,148,148**	1,575,188
Net unrealized gains (losses) on land	**165,624**	146,400
Excess of policyholders' contract deposits	—	—
Subordinated debt, etc.	—	—
Amounts within "Excess amount of policyholders' contract deposits" and "Subordinated debt, etc." not calculated into the margin	—	—
Deductions	**10,092**	10,106
Others	**241,136**	232,549
Total amount of risks (B) $\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$	**1,187,303**	1,085,748
General insurance risk (R_1)	**162,666**	159,012
Third sector insurance risk (R_2)	—	—
Assumed interest risk (R_3)	**25,588**	26,615
Asset management risk (R_4)	**860,335**	759,078
Business administration risk (R_5)	**26,179**	24,094
Catastrophe risk (R_6)	**260,390**	260,030
Solvency margin ratio (C) $[(A)/\{(B) \times 1/2\}] \times 100$	**751.7%**	685.4%

Note: "Solvency margin ratio" on a non-consolidated basis is calculated in accordance with Article 86 and Article 87 of the Enforcement Regulation of the Insurance Business Act and with Ministry of Finance Official Notification No. 50 issued in 1996.

Solvency margin ratio (non-consolidated)

1. In addition to reserves to cover claim payments and payments for maturity-refunds of saving type insurance policies, etc., it is necessary for insurance companies to maintain sufficient solvency in order to cover against risks which may exceed their usual estimates, i.e., the occurrence of major catastrophe, a significant decline in value of assets held by insurance companies, etc.

2. The solvency margin ratio (C) is the ratio of "solvency margin of insurance companies by means of their capital, reserves, etc." (total amount of solvency margin: (A)) to "risks which will exceed their usual estimates" (total amount of risks: (B)).

3. "Risks which will exceed their usual estimates" (total amount of risks; (B)) is composed of risks described below.
   (1) General insurance risk, Insurance risk, Third sector insurance risk: risks of occurrence of insurance claims in excess of normal expectations (excluding catastrophe risk).
   (2) Assumed interest risk: risks of invested assets failing to yield assumed interest rates due to the aggravation of investment conditions than expected.
   (3) Minimum guarantee risk: risks related to the minimum guarantee for benefits of insurance contracts which are managed as a separate account.

(4) Asset management risk: risks of retained securities and other assets fluctuating in prices beyond expectations.
(5) Business administration risk: risks beyond normal expectations arising from business management that does not fall under other categories (1) to (4) or (6).
(6) Catastrophe risk: risks of the occurrence of major catastrophic losses in excess of normal expectations (risks such as the Great Kanto Earthquake or Isewan Typhoon).

4. The ability of insurance companies to pay claims by means of their capital, reserves, etc. (total amount of solvency margin) is the total amount of capital (excluding planned outflows), certain reserves (reserve for price fluctuations, contingency reserves and catastrophe reserves, etc.) and parts of net unrealized gains on land.

5. The solvency margin ratio is one of the indicators for the regulatory authorities to supervise insurance companies. A ratio exceeding 200% indicates adequate ability to meet payments of insurance claims.

Solvency margin ratio (non-consolidated) for Nisshin Fire & Marine Insurance Co., Ltd.

(Yen in millions, except for %)

Item	As of March 31, 2015	As of March 31, 2014
Total amount of solvency margin (A)	**168,212**	141,693
Shareholders' equity less adjusting items	**63,469**	58,609
Price fluctuation reserve	**1,660**	1,420
Contingency reserve	—	—
Catastrophe loss reserve	**53,035**	52,152
General allowance for doubtful accounts	**11**	14
Net unrealized gains (losses) on securities (prior to tax effect deductions)	**43,204**	25,583
Net unrealized gains (losses) on land	**(1,352)**	(2,858)
Excess of policyholders' contract deposits	—	—
Subordinated debt, etc.	—	—
Amounts within "Excess amount of policyholders' contract deposits" and "Subordinated debt, etc." not calculated into the margin	—	—
Deductions	—	—
Others	**8,184**	6,771
Total amount of risks (B) $\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$	**31,604**	33,849
General insurance risk (R_1)	**12,145**	12,199
Third sector insurance risk (R_2)	—	—
Assumed interest risk (R_3)	**1,180**	1,257
Asset management risk (R_4)	**14,294**	12,446
Business administration risk (R_5)	**775**	811
Catastrophe risk (R_6)	**11,156**	14,690
Solvency margin ratio (C) [(A)/{(B) × 1/2}] × 100	**1,064.5%**	837.1%

Note: "Solvency margin ratio" on a non-consolidated basis is calculated in accordance with Article 86 and Article 87 of the Enforcement Regulation of the Insurance Business Act and with Ministry of Finance Official Notification No. 50 issued in 1996.

Solvency margin ratio (non-consolidated) for E. design Insurance Co., Ltd.

(Yen in millions, except for %)

Item	As of March 31, 2015	As of March 31, 2014
Total amount of solvency margin (A)	**10,633**	6,081
Shareholders' equity less adjusting items	**10,096**	5,628
Price fluctuation reserve	—	—
Contingency reserve	—	—
Catastrophe loss reserve	**536**	452
General allowance for doubtful accounts	—	—
Net unrealized gains (losses) on securities (prior to tax effect deductions)	—	—
Net unrealized gains (losses) on land	—	—
Excess of policyholders' contract deposits	—	—
Subordinated debt, etc.	—	—
Amounts within "Excess amount of policyholders' contract deposits" and "Subordinated debt, etc." not calculated into the margin	—	—
Deductions	—	—
Others	—	—
Total amount of risks (B) $\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$	**2,318**	1,851
General insurance risk (R_1)	**1,987**	1,590
Third sector insurance risk (R_2)	—	—
Assumed interest risk (R_3)	—	—
Asset management risk (R_4)	**257**	181
Business administration risk (R_5)	**74**	58
Catastrophe risk (R_6)	**240**	192
Solvency margin ratio (C) [(A)/{(B) × 1/2}] × 100	**917.2%**	656.7%

Note: "Solvency margin ratio" on a non-consolidated basis is calculated in accordance with Article 86 and Article 87 of the Enforcement Regulation of the Insurance Business Act and with Ministry of Finance Official Notification No. 50 issued in 1996.

Solvency margin ratio (non-consolidated) for Tokio Marine & Nichido Life Insurance Co., Ltd.

(Yen in millions, except for %)

Item	As of March 31, 2015	As of March 31, 2014
Total amount of solvency margin (A)	**675,058**	507,148
Shareholders' equity less adjusting items	**140,931**	95,979
Price fluctuation reserve	**5,149**	4,710
Contingency reserve	**47,606**	29,918
General allowance for doubtful accounts	**522**	471
Net unrealized gains (losses) on securities × 90% (×100% if losses)	**125,528**	71,692
Net unrealized gains (losses) on land × 85% (×100% if losses)	—	—
Excess of continued Zillmerized reserve	**254,890**	215,595
Subordinated debt, etc.	—	—
Amounts within "Excess of continued Zillmerized reserve" and "Subordinated debt, etc." not calculated into the margin	—	—
Deductions	—	—
Others	**100,429**	88,781
Total amount of risks (B) $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	**43,241**	38,644
Insurance risk (R_1)	**14,116**	13,421
Third sector insurance risk (R_8)	**4,562**	4,074
Assumed interest risk (R_2)	**5,124**	5,658
Minimum guarantee risk (R_7)	**3,388**	—
Asset management risk (R_3)	**29,231**	27,654
Business administration risk (R_4)	**1,128**	1,016
Solvency margin ratio (C) [(A)/{(B) × 1/2}] × 100	**3,122.2%**	2,624.6%

Note: "Solvency margin ratio" on a non-consolidated basis is calculated in accordance with Article 86 and Article 87 of the Enforcement Regulation of the Insurance Business Act and with Ministry of Finance Official Notification No. 50 issued in 1996.

Solvency margin ratio (non-consolidated) for Tokio Marine Millea SAST Insurance Co., Ltd.

(Yen in millions, except for %)

Item	As of March 31, 2015	As of March 31, 2014
Total amount of solvency margin (A)	**1,446**	1,851
Total net assets (excluding deferred assets etc.)	**1,364**	1,851
Price fluctuation reserve	—	—
Catastrophe loss reserve	**1**	0
General allowance for doubtful accounts	—	—
Net unrealized gains (losses) on securities (prior to tax effect deductions) (99% or 100%)	—	—
Net unrealized gains (losses) on land (85% or 100%)	—	—
Part of reserve for dividends to policyholders (excluding dividends for following period)	—	—
Future profit	—	—
Deferred tax	**80**	—
Subordinated debt, etc.	—	—
Deductions	—	—
Total amount of risks (B) $\sqrt{R_1^2 + R_2^2} + R_3 + R_4$	**90**	113
Insurance risk	**58**	80
General insurance risk (R_1)	**40**	58
Catastrophe risk (R_4)	**18**	21
Asset management risk (R_2)	**57**	63
Business administration risk (R_3)	**2**	4
Solvency margin ratio (C) $[(A)/\{(B) \times 1/2\}] \times 100$	**3,208.2%**	3,275.8%

Note: The above figures are calculated in accordance with Article 211 paragraph 59 and Article 211 paragraph 60 of the Enforcement Regulation of the Insurance Business Act and with Ordinance No. 14 issued by the Financial Services Agency in 2006.

Solvency margin ratio (non-consolidated) for Tokio Marine West SAST Insurance Co., Ltd.

(Yen in millions, except for %)

Item	As of March 31, 2015	As of March 31, 2014
Total amount of solvency margin (A)	**273**	297
Total net assets (excluding deferred assets etc.)	**273**	297
Price fluctuation reserve	—	—
Catastrophe loss reserve	**0**	—
General allowance for doubtful accounts	—	—
Net unrealized gains (losses) on securities (prior to tax effect deductions) (99% or 100%)	—	—
Net unrealized gains (losses) on land (85% or 100%)	—	—
Part of reserve for dividends to policyholders (excluding dividends for following period)	—	—
Future profit	—	—
Deferred tax	—	—
Subordinated debt, etc.	—	—
Deductions	—	—
Total amount of risks (B) $\sqrt{R_1^2 + R_2^2} + R_3 + R_4$	**13**	2
Insurance risk	**3**	—
General insurance risk (R_1)	**0**	—
Catastrophe risk (R_4)	**3**	—
Asset management risk (R_2)	**9**	2
Business administration risk (R_3)	**0**	0
Solvency margin ratio (C) $[(A)/\{(B) \times 1/2\}] \times 100$	**4,180.4%**	20,098.4%

Note: The above figures are calculated in accordance with Article 211 paragraph 59 and Article 211 paragraph 60 of the Enforcement Regulation of the Insurance Business Act and with Ordinance No.14 issued by the Financial Services Agency in 2006.

Interest-Rate Sensitivity of ALM Surplus Value

The following tables show how the hypothetical changes in interest rates affect the present value of the surplus in Tokio Marine & Nichido's and in Tokio Marine & Nichido Life's asset-liability portfolio as of March 31, 2015 and March 31, 2014. The asset-liability portfolio is composed of assets to meet future obligations and reserves for insurance policies including deposit-type insurance and long-term insurance policies, and the present value of the surplus in the portfolio is measured as the difference between the present value of assets and that of liabilities (before taxes and future policy dividends).

Tokio Marine & Nichido Fire Insurance Co., Ltd.

(Yen in billions)

	Yield curve shift (As of March 31, 2015)		
	-0.5%	**±0%**	**+0.5%**
General Policy Account	**(29.0)**	**0.0**	**24.7**
Deposit-Type Insurance Accounts	**(1.5)**	**0.0**	**0.8**
Asset-Liability Portfolio Total	**(30.5)**	**0.0**	**25.5**

(Yen in billions)

	Yield curve shift (As of March 31, 2014)		
	-0.5%	±0%	+0.5%
General Policy Account	(26.7)	0.0	23.3
Deposit-Type Insurance Accounts	3.0	0.0	(1.0)
Asset-Liability Portfolio Total	(23.7)	0.0	22.3

Tokio Marine & Nichido Life Insurance Co., Ltd.

(Yen in billions)

	Yield curve shift (As of March 31, 2015)		
	-0.5%	**±0%**	**+0.5%**
Asset-Liability Portfolio Total	**(199.8)**	**0.0**	**121.5**

(Yen in billions)

	Yield curve shift (As of March 31, 2014)		
	-0.5%	±0%	+0.5%
Asset-Liability Portfolio Total	(105.0)	0.0	(25.5)

(1) Based on the prevailing yield curve for Japanese government bonds (JGBs) on the indicated dates
(2) The information presented above has been prepared solely for risk management purposes and is not indicative of the actual effect on the financial condition, results of operations or corporate value of Tokio Marine & Nichido and Tokio Marine & Nichido Life caused by the changes in past or future interest rates.
(3) The information indicates the hypothetical changes of the present value of ALM surplus value, and accordingly, the numbers of Tokio Marine & Nichido Life presented above may be different from those which are described in table "4. Effects of Changes in Assumptions" of "Embedded Value for Tokio Marine & Nichido Life as of March 31, 2015."
(4) The present value of the surplus in Tokio Marine & Nichido Life is calculated on the basis taking dynamic lapse into consideration.

Embedded Value

Embedded Value for Tokio Marine & Nichido Life Insurance Co., Ltd.

1. About Embedded Value

Embedded value (EV) is regarded as one of the measures used to assess the economic value of a life insurance business and its performance. In Japan, over 10 insurers have disclosed their EV as of March 31, 2014. It is calculated as the sum of the "net asset value" and "value of in-force business."

"Net asset value" is calculated by adding "Contingency reserve (after tax)" and "Price fluctuation reserve (after tax)," which are regarded as appropriate to be included in "net assets," to "net assets" in the balance sheets.

"Value of in-force business" represents the present value as at the valuation date of future "net income (after tax)" distributable to shareholders from the in-force business. The present value is calculated by discounting future distributable shareholders' profits, fewer surpluses required to be retained in order to maintain a certain level of solvency margin, using a risk discount rate that takes a risk premium into consideration.

2. EV as of March 31, 2015

(1) EV as of March 31, 2015

EV as of March 31, 2015 was 869.3 billion yen in total: net asset value of 320.1 billion yen and value of in-force business of 549.2 billion yen.

(Yen in billions)

	FY2014	FY2013	FY2012
Net asset value	**320.1**	250.1	255.4
Value of in-force business	**549.2**	486.1	387.3
EV as at the end of the fiscal year	**869.3**	736.2	642.8
Value of new business	**29.1**	34.6	21.6

Note: The fiscal 2013 and fiscal 2012 columns and calculations based on them are simple arithmetic totals of pre-merger data for the Company and Tokio Marine & Nichido Financial Life. This approach is used throughout the embedded value section.

(2) Change in EV

The Tokio Marine Group has adopted "Change in EV" for assessing its performance in the life insurance business.

During fiscal 2014, EV before dividends paid during the fiscal year increased 142.0 billion yen from the end of the previous fiscal year, and ROE was 17.7%.

(Yen in billions)

	FY2014	FY2013	FY2012
Change in EV	**142.0**	104.9	110.4
Average balance of EV	**802.8**	689.5	590.1
ROE*	**17.7%**	15.2%	18.7%

*ROE = Change in EV (before dividends paid) / Average EV

In fiscal 2014, the change in EV (before dividends paid) increased by 37.1 billion yen from the previous fiscal year (fiscal 2013). This was mainly because higher interest rates increased the risk discount rate in fiscal 2013, while in fiscal 2014 lower interest rates reduced the risk discount rate. As a result, "Effect of changes in risk discount rate" increased by 47.9 billion yen year on year. In addition, the effect of the merger caused "Others" to increase by 12.6 billion yen year on year, while "Effect of changes in assumptions" decreased by 17.0 billion yen year on year due to the reversal effect of the decrease in assumed mortality and morbidity rates centering on the mortality rate in the previous fiscal year. Also, "Effect of changes in the economic environment" decreased 14.2 billion yen year on year due to the reversal effect of the increase in interest rates in the previous fiscal year. (For details on changes, refer to "5. Analysis of Movement of EV.")

Change in EV (before dividends paid) was 92.4 billion yen before "Effect of changes in assumptions", "Effect of changes in the economic environment" and "Effect of changes in risk discount rate". (In this case, ROE was 11.5%.)

(Reference) (Yen in billions)

	FY2014	FY2013	FY2012
Change in EV (before "Dividends paid", "Effect of changes in assumptions", "Effect of changes in the economic environment" and "Effect of changes in risk discount rate")	**92.4**	71.9	62.8
ROE	**11.5%**	10.4%	10.7%

3. Major Assumptions

The major assumptions used in calculating the value of in-force business are as follows.

Assumptions	Basis of assumptions
Mortality and morbidity rates	Generally based on past claim payments experience during the preceding one to three years by benefit type, policy year and attained age, etc. For policy years where no experience data was available, assumptions are based on industry statistics.
Surrender and lapse rates	Generally based on past surrender and lapse rate experience during the preceding one year by line of business, premium mode and policy year.
Expense ratio	Based on past actual business expenses for the Group in the preceding fiscal year and percentage (unit cost) to in-force policy and premiums. Unit cost for fiscal 2014 is calculated as the Company's business expenses for fiscal 2014 after deducting the first-half business expenses of the former Tokio Marine & Nichido Financial Life and a one-time expense of 300 million yen due to the merger. "Value of new business" is calculated using a unit cost that assumes no merger for the entirety of fiscal 2014. The ultimate effect of changes in unit cost associated with the value of new business in fiscal 2014 is included in "Others".
Investment yield on new money in general accounts	Assumed to be invested in JGB matched to the duration of liabilities*. The JGB yield used is the yield as of the valuation date of the EV (at the end of fiscal year) as follows: FY2013: 10 yrs 0.65%; 20 yrs 1.53%; 30 yrs 1.71%; 40 yrs 1.81% FY2014: 10 yrs 0.41%; 20 yrs 1.16%; 30 yrs 1.36%; 40 yrs 1.50%
Investment earnings ratio for separate accounts	Investment earnings ratio of the portfolio (equity fund, bond fund, money fund, etc.) for each line of business is set as follows: Equity funds: 4% Bond funds: 0.395% Money funds: 0.1%
Effective tax rate	Set as follows based on actual data for fiscal 2014 and the tax rate change for fiscal 2015 and thereafter: Fiscal 2014: 30.7% Fiscal 2015 and thereafter: 28.8% The calculation of "Value of new business" does not reflect the reduction of the effective tax rate in fiscal 2015 and thereafter but the effect of the lower effective tax rate on "Value of new business" in fiscal 2014 is included in "Effect of changes in assumptions".
Consumption tax rate	Set as follows: From April 2014 to March 2017: 8% From April 2017: 10% The calculation of "Value of new business" does not reflect the increase in the consumption tax rate to 10% which was postponed from October 2015 to April 2017. The amount of impact to "Value of new business" for fiscal 2014 affected by the postponed increase in the consumption tax rate was included in "Effect of changes in assumptions".
Solvency margin ratio	Assumed to maintain a solvency margin ratio of 600%.
Risk discount rate	Set by adding a risk premium of 6% to the risk free interest rate (the 20-year JGB yield). FY2013: Risk-free interest rate (1.53%) + 6% → 7.53% FY2014: Risk-free interest rate (1.16%) + 6% → 7.16% "Value of new business" is calculated using a risk discount rate of 7.53%. Therefore, the amount of "Value of new business" affected by the above change in the risk discount rate for new business (2.8 billion yen) in fiscal 2014 is included in "Effect of changes in risk discount rate".

* Average investment yield is approximately 1.4%.

Risk discount rate

Risk discount rate is based on the risk-free rate (the 20-year JGB yield) plus risk premium rate of 6%. The risk premium was not changed in either fiscal 2013 or fiscal 2014. However, in fiscal 2014 the risk-free rate (the 20-year JGB yield) decreased to 1.16%. As a result, the risk discount rate was decreased by 0.37%.

The Tokio Marine Group sets a risk premium of 6.0% as the required level for its domestic life insurance business.

4. Effects of Changes in Assumptions

The table below shows the change in EV at March 31, 2015 arising from changes to assumptions:

(Yen in billions)

Change in Assumptions	Effect on EV	EV Amount
Set 1.1 times the insurable mortality and morbidity rate	**(34.0)**	835.3
Set 1.1 times the surrender rate	**3.2**	872.6
Set 1.1 times business expenses	**(11.5)**	857.8
Investment yield (JGB yield) up 0.25%*	**12.5**	881.9
Investment yield (JGB yield) down 0.25%*	**(14.6)**	854.7
If the market value balance of separate accounts is instantly increased by 10%	**2.9**	872.3
If the market value balance of separate accounts is instantly reduced by 10%	**(9.3)**	860.0
Set solvency margin ratio at 500%	**2.1**	871.4
Set solvency margin ratio at 700%	**(2.8)**	866.5
Reduce risk premium by 1.0% (with 6.16% risk discount rate)	**62.7**	932.1
Raise risk premium by 1.0% (with 8.16% risk discount rate)	**(52.9)**	816.4

* Assumptions reflect changes in both the investment yield and the risk discount rate.

Increase or reduction in investment yield

The change in assumed investment yield is set based on the assumption that it is affected by increase/decrease in JGB yield (risk-free market interest rate). Also, the increase/decrease in unrealized gains/losses arising from changes in the interest rate and the risk discount rate is taken into consideration.

Increase or reduction in the risk premium

The risk discount rate is dependent on market interest rates and on the risk premium. For the purpose of the above sensitivities, the EV has been re-calculated on the basis that the risk premium changes without any change in market interest rates (investment yield).

5. Analysis of Movement of EV

(Yen in billions)

	FY2014	FY2013	Year-on-year change
Dividends paid (1)	**(8.9)**	(11.6)	**2.7**
Value of new business	**29.1**	34.6	**(5.5)**
Release of the discounted value of in-force business	**41.7**	33.5	**8.2**
Variances between experience and assumptions	**9.1**	4.1	**5.0**
Effect of changes in economic environment	**27.8**	(5.8)	**33.7**
Effect of changes in the economic environment (2)	**6.6**	20.9	**(14.2)**
Effect of changes in risk discount rate (3)	**21.1**	(26.8)	**47.9**
Effect of changes in assumptions (4)	**21.7**	38.8	**(17.0)**
Effect of changes in insurable mortality and morbidity rate	**6.0**	29.8	**(23.7)**
Effects of the lowering of the effective tax rate	**14.3**	1.2	**13.0**
Effect of postponed increase in the consumption tax rate	**0.7**	—	**0.7**
Others	**12.2**	(0.3)	**12.6**
Effect of the merger	**12.4**	—	**12.4**
Total	**133.1**	93.3	**39.8**
(Before dividends paid)	**142.0**	104.9	**37.1**
Change in EV (excluding (1), (2), (3) & (4))	**92.4**	71.9	**20.4**

Note: "Effect of changes in the economic environment" includes "Effect of changes in interest rates" in "Fiscal 2013 embedded value" presented on May 20, 2014, and "Variances between actual performance and assumptions on investment" and "Effect of reinsurance" in "Fiscal 2013 embedded value" presented by the former Tokio Marine & Nichido Financial Life on May 20, 2014.

The change in EV consists of two major components, the value of new business (new businesses issued in fiscal 2014) and others.

(1) Value of new business

In fiscal 2014, the value of new business decreased by 5.5 billion yen year on year to 29.1 billion yen.

The amount of new business increased in fiscal 2014, but the value of new business decreased largely because of the increase of the risk discount rate used for the value of new business to 7.53% for fiscal 2014 from 7.0% for fiscal 2013 and the effect of the decrease in interest rates.

(2) Changes other than value of new business

While interest rates decreased in fiscal 2014, "Effect of changes in the economic environment" was positive largely because the minimum guarantee liability for variable annuities decreased due to the effect of higher stock prices and the depreciation of the yen. As a result, the total of "Effect of changes in the risk discount rate" and "Effect of changes in the economic environment" was 27.8 billion yen, a positive change of 33.7 billion yen compared with fiscal 2013.

In addition, in fiscal 2014 "Others" changed by a positive 12.6 billion yen compared with fiscal 2013 because of the 12.2 billion yen effect of the merger with the former Tokio Marine & Nichido Financial Life. This was mainly the result of the recognition of deferred tax assets that the former Tokio Marine & Nichido Financial Life did not recognize.

At the same time, "Effect of changes in assumptions" was 21.7 billion yen in fiscal 2014, a decrease of 17.0 billion yen compared with fiscal 2013 due mainly to the effect of the lower effective tax rate. This decrease was primarily due to the reversal effect of the decrease in assumed mortality and morbidity rates centering on the mortality rate in fiscal 2013.

6. Instruction

As EV is calculated based on assumptions including future prospects with risk and uncertainty, actual future results may differ largely from the assumptions used in EV calculation.

Also, since the actual market capital is determined by investors' judgments based on various information, EV can significantly differ from such information. Therefore, sufficient consideration needs to be made in using EV.

Explanation of Terms

- **Net asset value**

"Net asset value" is calculated by adding "Contingency reserve (after tax)" and "Price fluctuation reserve (after tax)", which are regarded as appropriate to be included in "net assets", to "net assets" on the balance sheets.

These two liabilities are reserves accumulated to assure financial soundness in the event of an unexpected contingency in the future. These are regarded as appropriate to be included in "net assets" because these reserves are not earmarked for any specific benefit payment and have no fixed future payment date. The amounts of these reserves are calculated after taxes and then added to net assets.

In accordance with the rationale underlying the application of Tokio Marine & Nichido Life's ALM, unrealized gains/losses on held-to-maturity debt securities and debt securities earmarked for policy reserves and unallocated reserves for dividends, which are not included in net assets under financial accounting, are retained for responding to future assumed interest burdens and dividend distribution burdens, and are not included in net asset value. On this basis, the value of in-force business is calculated with an awareness of gains and losses in accordance with future assumed interest burdens and dividend distribution burdens.

For unrealized gains/losses on securities, net of taxes and deferred gains/losses on hedge transactions relating to interest swaps, which were once included in net assets, an equivalent amount is retained upon recognizing this will have a minus effect on the calculation of value of in-force business, and there is an awareness of gains and losses in accordance with future assumed interest burdens and dividend distribution burdens.

- **Value of in-force business**

"Value of in-force business" represents the present value as at the valuation date of future "net income (after tax)" under financial accounting that is expected to be generated by the in-force business, excluding the cost of capital mentioned below. To calculate future income, it is necessary to set assumptions for such factors as future mortality and morbidity rates, surrender and lapse rates, business expenses and investment income. There is a risk that these assumptions will differ from actual values in the future. Therefore, present value is calculated by discounting future expected income using a risk discount rate.

The minimum amount of capital needed for continuing business (needed for maintaining a certain solvency margin ratio) is calculated and this amount is reinvested and remains invested until no longer needed. For the investment and recovery of this capital, Tokio Marine & Nichido Life maintains an awareness of opportunity cost (cost of capital) by calculating present value using a risk discount rate in the same manner as for income.

In this manner, the present value of future distributable shareholders' profits, excluding the amount deducted from net income for reinvestment, represents the value of in-force business.

- **Value of new business**

"Value of new business" is the present value of future income expected from new business acquired in the current year. It is the sum of income/losses (a portion of the above-mentioned net asset value) realized in the current fiscal year resulting from the expenses associated with new business and the present value of future income/losses from the next fiscal year onward. The assumptions for calculating future income/losses are basically the same as for calculating value of in-force business. However, investment yield (interest rate level) is calculated using 1) investment yields at the time of the contract for new business (end of the month) rather than at the end of the fiscal year, and 2) the risk discount rate as of the beginning of the fiscal year (in other words, as of the end of the previous fiscal year). The impact of changes in investment yields between the time new business is contracted and the end of the fiscal year is included in the category "Effect of changes in the economic environment", and the effect of changes in the risk discount rate on new business is included in "Effect of changes in the risk discount rate".

Statutory Reserve

Non-life insurance

Tokio Marine & Nichido Fire Insurance Co., Ltd.

(Yen in millions)

	Year ended March 31, 2015	Year ended March 31, 2014
Catastrophe loss reserve	**930,431**	865,505
Price fluctuation reserve	**76,134**	72,560

Nisshin Fire & Marine Insurance Co., Ltd.

(Yen in millions)

	Year ended March 31, 2015	Year ended March 31, 2014
Catastrophe loss reserve	**51,102**	50,278
Price fluctuation reserve	**1,660**	1,420

E. design Insurance Co., Ltd.

(Yen in millions)

	Year ended March 31, 2015	Year ended March 31, 2014
Catastrophe loss reserve	**536**	452

Life insurance

Tokio Marine & Nichido Life Insurance Co., Ltd.

(Yen in millions)

	Year ended March 31, 2015	Year ended March 31, 2014
Contingency reserve	**47,606**	29,918
Price fluctuation reserve	**5,149**	4,710

Corporate Data

Corporate Overview

Tokio Marine Holdings and Its Subsidiaries

(As of March 31, 2015)

Description of Business

Tokio Marine Group consists of Tokio Marine Holdings, Inc., 179 subsidiaries and 26 affiliates, and is engaged in the domestic non-life insurance, domestic life insurance, international insurance, and financial and general businesses.

In addition, Tokio Marine Holdings is a specified listed company. Due to the specified listed company designation, the *de minimis* standard for insider trading regulations is determined on a consolidated basis.

The following is a diagram of businesses as of March 31, 2015.

Business Diagram

Tokio Marine Holdings, Inc.

Domestic Non-Life Insurance Business

Property and casualty insurance business

◎Tokio Marine & Nichido Fire Insurance Co., Ltd.
◎Nisshin Fire & Marine Insurance Co., Ltd.
◎E. design Insurance Co., Ltd.

Small-amount short-term insurance business

◎Tokio Marine Millea SAST Insurance Co., Ltd.

Domestic Life Insurance Business

◎Tokio Marine & Nichido Life Insurance Co., Ltd.
◎Tokio Marine Bluebell Re Limited

International Insurance Business

International non-life insurance business

◎Philadelphia Indemnity Insurance Company
◎First Insurance Company of Hawaii, Ltd.
◎Tokio Marine America Insurance Company
◎Safety National Casualty Corporation
◎Kiln Underwriting Limited
◎Tokio Millennium Re (UK) Limited
◎Tokio Marine Underwriting Limited
◎Tokio Millennium Re AG
◎Tokio Marine Insurance Singapore Ltd.
◎Tokio Marine Insurans (Malaysia) Berhad
◎Tokio Marine Seguradora S.A.

International life insurance business

◎Reliance Standard Life Insurance Company
◎Reliance Standard Life Insurance Company of Texas
◎Tokio Marine Life Insurance Singapore Ltd.
◎Tokio Marine Life Insurance Malaysia Bhd.
△Edelweiss Tokio Life Insurance Company Limited

Other business

◎Tokio Marine North America, Inc.
◎Philadelphia Consolidated Holding Corp.
◎Delphi Financial Group, Inc.
◎SIG Holdings, Inc.
◎Tokio Marine Kiln Group Limited
◎Tokio Marine Asia Pte. Ltd.
◎Asia General Holdings Limited

Financial and General Businesses

Investment advisory and investment trust services

◎Tokio Marine Asset Management Co., Ltd.

◎ Consolidated subsidiaries △ Equity-method affiliate

Major Subsidiaries

(As of March 31, 2015)

Company name	Date of incorporation	Paid-in capital	Ratio of Tokio Marine Holdings' voting rights[1]	Ratio of Tokio Marine Holdings' subsidiaries' voting rights[2]	Location	Major business
Tokio Marine & Nichido Fire Insurance Co., Ltd.	Mar. 20, 1944[3]	¥101,994 million	100%	0%	2-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan	Domestic non-life insurance
Nisshin Fire & Marine Insurance Co., Ltd.	June 10, 1908	¥20,389 million	100%	0%	3, Kanda-Surugadai 2-chome, Chiyoda-ku, Tokyo, Japan	Domestic non-life insurance
E. design Insurance Co., Ltd.	Jan. 26, 2009	¥24,803 million	90.5%	0%	20-2, Nishi-Shinjuku 3-chome, Shinjuku-ku, Tokyo, Japan	Domestic non-life insurance
Tokio Marine & Nichido Life Insurance Co., Ltd.	Aug. 6, 1996	¥55,000 million	100%	0%	2-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan	Domestic life insurance
Tokio Marine Millea SAST Insurance Co., Ltd.	Sept. 1, 2003	¥895 million	100%	0%	2-1-1, Minatomirai 2-chome, Nishi-ku, Yokohama, Kanagawa Prefecture, Japan	Domestic non-life insurance
Tokio Marine Asset Management Co., Ltd.	Dec. 9, 1985	¥2,000 million	0%	100%	3-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan	Financial and general businesses
Tokio Marine North America, Inc.	June 29, 2011	US$0 thousand	0%	100%	2711 Centerville Road, Suite 400, Wilmington DE 19808 USA	International insurance
Philadelphia Consolidated Holding Corp.	July 6, 1981	US$1 thousand	0%	100%	One Bala Plaza, Suite 100, Bala Cynwyd, PA 19004 USA	International insurance
Philadelphia Indemnity Insurance Company	Feb. 4, 1927	US$4,500 thousand	0%	100%	One Bala Plaza, Suite 100, Bala Cynwyd, PA 19004 USA	International insurance
First Insurance Company of Hawaii, Ltd.	Aug. 6, 1982	US$4,272 thousand	0%	100%	1100 Ward Avenue, Honolulu, HI 96814 USA	International insurance
Tokio Marine America Insurance Company	Aug. 13, 1998	US$5,000 thousand	0%	100%	230 Park Avenue, New York, NY 10169 USA	International insurance
Delphi Financial Group, Inc.	May 27, 1987	US$1 thousand	0%	100%	1105 North Market Street, Suite 1230, Wilmington, DE 19801 USA	International insurance
SIG Holdings, Inc.	Oct. 3, 1995	US$0 thousand	0%	100%	1105 North Market Street, Suite 1230, Wilmington, DE 19801 USA	International insurance
Safety National Casualty Corporation	Nov. 28, 1942	US$30,000 thousand	0%	100%	1832 Schuetz Road, St. Louis, MO 63146 USA	International insurance
Reliance Standard Life Insurance Company	April 2, 1907	US$56,003 thousand	0%	100%	2001 Market Street, Suite 1500, Philadelphia, PA 19103 USA	International insurance
Reliance Standard Life Insurance Company of Texas	Aug. 16, 1983	US$700 thousand	0%	100%	2001 Market Street, Suite 1500, Philadelphia, PA 19103 USA	International insurance
Tokio Marine Kiln Group Limited	July 11, 1994	£1,010 thousand	0%	100%	20 Fenchurch Street, London, EC3M 3BY, UK	International insurance
Kiln Underwriting Limited	June 13, 1994	£0 thousand	0%	100%	20 Fenchurch Street, London, EC3M 3BY, UK	International insurance
Tokio Millennium Re (UK) Limited	Oct. 30, 1990	£125,000 thousand	0%	100%	20 Fenchurch Street, London, EC3M 3BY, UK	International insurance
Tokio Marine Underwriting Limited	Oct. 27, 2008	£0 thousand	0%	100%	20 Fenchurch Street, London, EC3M 3BY, UK	International insurance
Tokio Millennium Re AG	Mar. 15, 2000	CHF227,675 thousand	0%	100%	Beethovenstrasse 33 8002 Zurich Switzerland	International insurance
Tokio Marine Bluebell Re Limited	Mar. 8, 2007	¥14,000 million	100%	0%	Fort Anne, Douglas, Isle of Man, IM1 5PD	Domestic life insurance
Tokio Marine Asia Pte. Ltd.	Mar. 12, 1992	S$586,971 thousand THB542,000 thousand	100%	0%	20 McCallum Street, #13-01 Tokio Marine Centre, Singapore 069046	International insurance
Asia General Holdings Limited	Feb. 24, 1971	S$75,000 thousand	0%	92.4%	20 McCallum Street, #09-01 Tokio Marine Centre, Singapore 069046	International insurance
Tokio Marine Insurance Singapore Ltd.	July 11, 1923	S$100,000 thousand	0%	100%	20 McCallum Street, #09-01 Tokio Marine Centre, Singapore 069046	International insurance
Tokio Marine Life Insurance Singapore Ltd.	May 21, 1948	S$36,000 thousand	0%	85.7%	20 McCallum Street, #07-01 Tokio Marine Centre, Singapore 069046	International insurance
Tokio Marine Insurans (Malaysia) Berhad	April 28, 1999	RM403,471 thousand	0%	100%	29th -31st Floor, Menara Dion, 27 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia	International insurance
Tokio Marine Life Insurance Malaysia Bhd.	Feb. 11, 1998	RM226,000 thousand	0%	100%	Level 7, Menara Tokio Marine Life 189, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia	International insurance
Tokio Marine Seguradora S.A.	June 23, 1937	R504,808 thousand	0%	97.7%	R. Sampaio Viana, 44 CEP: 04004-000 São Paulo, SP, Brazil	International insurance

Affiliate accounted for by the equity method

Edelweiss Tokio Life Insurance Company Limited	Nov. 25, 2009	RS1,802,865 thousand	0%	26%	Edelweiss House, Off C.S.T. Road, Kalina, Mumbai 400 098 India	International insurance

Notes: 1. The ratio of voting rights of said subsidiaries held by Tokio Marine Holdings to total voting rights
2. The ratio of voting rights of said subsidiaries held by Tokio Marine Holdings' subsidiaries to total voting rights
3. Founded on August 1, 1879

Worldwide Network of Tokio Marine Group

(As of March 31, 2015)

Tokio Marine Group operates a worldwide network that spans 469 cities in 37 countries and regions. The Group has built a structure that can respond to the diverse needs of customers in each country, beginning with companies setting up overseas operations, as well as overseas travelers.

North America

United States
- ■ New York, Los Angeles, Chicago, Atlanta, Cincinnati, Honolulu, Philadelphia, Bala Cynwyd, St. Louis and Dallas (established July 2015)
- □ Tokio Marine North America, Inc. (New York and Bala Cynwyd)
- □ TMNA Services, LLC (New York and Bala Cynwyd)
- □ Tokio Marine Management, Inc. (New York, Los Angeles, Chicago, Atlanta, Houston, Nashville and Cincinnati) Dallas (established July 2015)
- □ Tokio Marine America Insurance Company (New York)
- □ Trans Pacific Insurance Company (New York)
- □ TNUS Insurance Company (New York)
- □ TM Specialty Insurance Company (New York)
- □ TM Claims Service, Inc. (New York, Los Angeles and Honolulu)
- □ First Insurance Company of Hawaii, Ltd. (Honolulu)
- □ Philadelphia Consolidated Holding Corp. (Bala Cynwyd and others)
- □ Philadelphia Indemnity Insurance Company (Bala Cynwyd)
- □ Tokio Marine Specialty Insurance Company (Bala Cynwyd)
- □ Delphi Financial Group, Inc. (New York)
- □ Reliance Standard Life Insurance Company (Philadelphia)
- □ Safety National Casualty Corporation (St. Louis)
- ○ Tokio Millennium Re AG (Stamford)

Guam
- ■ Guam
- □ Tokio Marine Pacific Insurance Limited (Guam)
- ◇ Tokio Marine Pacific Insurance Limited c/o Nanbo Guam, Ltd. (Guam)
- ◇ Tokio Marine Pacific Insurance Limited c/o Calvo's Insurance Underwriters, Inc. (Guam)

Commonwealth of the Northern Mariana Islands
- ◇ Tokio Marine Pacific Insurance Limited c/o Pacifica Insurance Underwriters, Inc. (Saipan)
- ◇ Tokio Marine Pacific Insurance Limited c/o Calvo's Insurance Underwriters (CNMI), Inc. (Saipan)

Canada
- ■ Toronto, Vancouver and Montreal (established May 2015)
- ● Toronto, Vancouver and Montreal (established May 2015)

Bermuda
- ■ Bermuda
- ○ Tokio Millennium Re AG (Hamilton)

Central & South America

Mexico
- ■ Mexico City
- □ Tokio Marine Compañía de Seguros, S.A. de C.V. (Mexico City, Tijuana, Monterrey and Bajio)

Brazil
- ■ São Paulo
- □ Tokio Marine Seguradora S.A. (São Paulo and others)

Paraguay
- □ La Rural S.A. de Seguros (Asunción and others)

Europe, Africa & Middle East

United Kingdom
- ■ London
- □ Tokio Marine Kiln Group Limited (London and others and 11 countries and regions including the European bases below)
- □ TM Claims Service Europe Ltd. (London)
- □ Tokio Millennium Re (UK) Limited (London)

France
- ■ Paris
- ○ Tokio Marine Kiln Group Limited (Paris, Lyon, Bordeaux, Strasbourg and Nantes)
- ○ TM Claims Service Europe Ltd. (Paris)

Germany
- ■ Duesseldorf
- ○ Tokio Marine Kiln Group Limited (Duesseldorf)
- ◇ Tokio Marine Kiln Group Limited c/o Burmester, Duncker & Joly (Hamburg)

Netherlands
- ■ Amsterdam
- ○ Tokio Marine Kiln Group Limited (Amsterdam)
- ○ TM Claims Service Europe Ltd. (Amsterdam)

Belgium
- ■ Brussels
- ○ Tokio Marine Kiln Group Limited (Brussels)
- ○ TM Claims Service Europe Ltd. (Brussels)

Italy
- ■ Milan
- ◇ Tokio Marine Kiln Group Limited (Milan)

Spain
- ■ Barcelona
- ○ Tokio Marine Kiln Group Limited (Barcelona and Madrid)

Norway
- ◇ Tokio Marine Kiln Group Limited c/o RiskPoint Norway (Oslo)

Denmark
- ◇ Tokio Marine Kiln Group Limited c/o RiskPoint A/S (Copenhagen)

Russia
- ■ Moscow

Switzerland
- ■ Zurich
- □ Tokio Millennium Re AG (Zurich)

Ireland
- □ Tokio Marine Global Re Limited (Dublin)

Egypt
- ■ Cairo
- □ Tokio Marine Egypt General Takaful Company (Cairo, Alexandria and others)
- □ Tokio Marine Egypt Family Takaful Company (Cairo, Alexandria and others)

U.A.E.
- ■ Dubai
- □ Tokio Marine Middle East Limited (Dubai)
- ◆ Al Futtaim Development Services Company (L.L.C.) (Dubai and Abu Dhabi)

Saudi Arabia
- ■ Jeddah, Riyadh and Al Khobar
- ◆ Hussein Aoueini & Co., Ltd. (Jeddah, Riyadh and Al Khobar)
- □ Alinma Tokio Marine Company (Riyadh, Jeddah and Al Khobar)

Turkey
- ■ Istanbul
- □ Allianz Sigorta A.S. (Istanbul)
- □ Allianz Hayat ve Emeklilik A.S. (Istanbul)

South Africa
- ■ Johannesburg (established April 2015)

Asia & Oceania

Korea
- ■ Seoul
- ● Seoul

People's Republic of China
- ■ Beijing, Shanghai, Guangzhou, Suzhou, Shenzhen and Chengdu
- □ The Tokio Marine & Nichido Fire Insurance Company (China) Limited (Beijing, Shanghai, Guangzhou, Suzhou and Hangzhou (established May 2015))
- □ Zhongsheng International Insurance Brokers Co., Ltd. (Beijing and others)
- □ Funde Sino Life Insurance Co., Ltd. (Shenzhen, Shanghai and others)

Hong Kong
- ■ Hong Kong
- □ The Tokio Marine and Fire Insurance Company (Hong Kong) Limited (Hong Kong)

Taiwan
- ■ Taipei
- □ Tokio Marine Newa Insurance Co., Ltd. (Taipei and others)

Philippines
- ■ Manila
- □ Malayan Insurance Co., Inc. (Manila and others)

Vietnam
- ■ Hanoi and Ho Chi Minh City
- □ Bao Viet Tokio Marine Insurance Company Limited (Hanoi and others)

Thailand
- ■ Bangkok
- □ Tokio Marine Insurance (Thailand) Public Company Limited (Bangkok and others)
- □ Tokio Marine Life Insurance (Thailand) Public Company Limited (Bangkok)

Malaysia
- ■ Kuala Lumpur
- □ Tokio Marine Insurans (Malaysia) Berhad (Kuala Lumpur and others)
- □ Tokio Marine Life Insurance Malaysia Bhd. (Kuala Lumpur and others)
- □ Tokio Marine Global Re Asia Ltd. (Labuan)

Singapore
- ■ Singapore
- □ Tokio Marine Asia Pte. Ltd. (Singapore)
- □ Tokio Marine Insurance Singapore Ltd. (Singapore)
- □ Tokio Marine Life Insurance Singapore Ltd. (Singapore)
- □ TM Claims Service Asia Pte. Ltd. (Singapore)

Brunei
- ○ Tokio Marine Insurance Singapore Ltd. (Bandar Seri Begawan)
- ○ Tokio Marine Life Insurance Singapore Ltd. (Bandar Seri Begawan)

Indonesia
- ■ Jakarta
- □ P.T. Asuransi Tokio Marine Indonesia (Jakarta and others)
- □ PT Tokio Marine Life Insurance Indonesia (Jakarta)

India
- ■ New Delhi, Mumbai and Chennai
- □ IFFCO-TOKIO General Insurance Company Ltd. (New Delhi and others)
- □ Edelweiss Tokio Life Insurance Company Limited (Mumbai and others)

Myanmar
- ■ Yangon

Australia
- ■ Sydney and Melbourne
- □ Tokio Marine Management (Australasia) Pty. Ltd. (Sydney and Melbourne)
- ○ Tokio Millennium Re Ltd. (Sydney)

New Zealand
- ◆ IAG New Zealand Limited (Auckland)

■ Cities where employees of Tokio Marine & Nichido are dispatched/ Representative and Liaison Offices of Tokio Marine & Nichido
● Branches of Tokio Marine & Nichido
◆ Underwriting Agents of Tokio Marine & Nichido
□ Group Companies & Investing Companies of Tokio Marine Group
○ Branches of Tokio Marine Group Companies
◇ Underwriting Agents of Tokio Marine Group Companies

External/Internal Audits

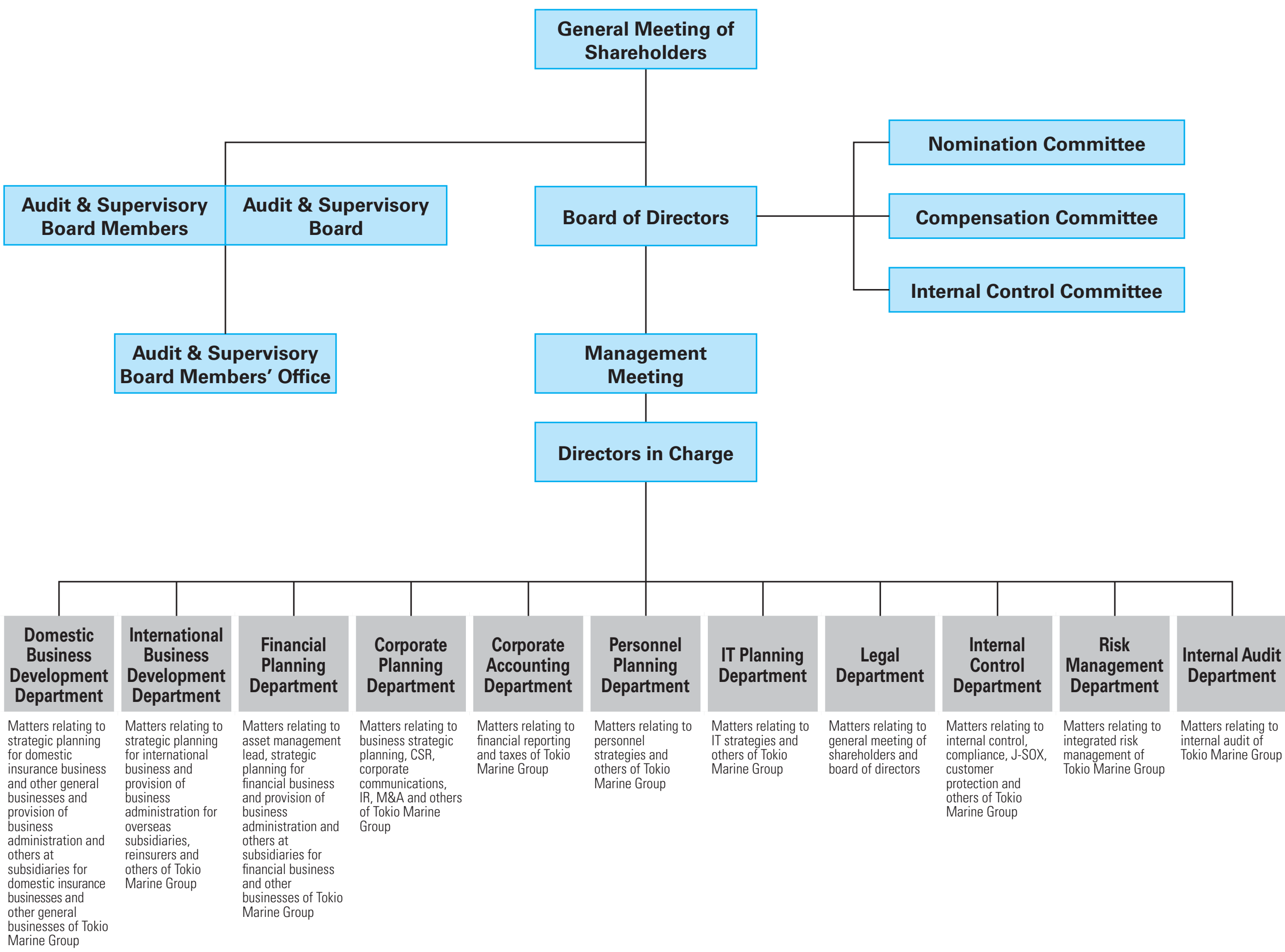
Tokio Marine Holdings is subject to inspections conducted by the Financial Services Agency of Japan pursuant to Article 271-28 of the Insurance Business Law.

The Company is also subject to an accounting audit based on the Companies Act and the Financial Instruments and Exchange Act and an internal control audit based on the Financial Instruments and Exchange Act as external audits conducted by PricewaterhouseCoopers Aarata, the Company's independent auditor.

Additionally, the Company is subject to a statutory audit conducted by Audit & Supervisory Board Members in accordance with the Companies Act and an internal audit performed by the Internal Audit Department. The internal audit is performed based on the "Internal Auditing Rules" that have been approved by the Board of Directors.

Organizational Chart

(As of July 1, 2015)



Employees

(As of March 31, 2015)

Number of employees:	409
Average age of employees:	42.8 years old
Average length of service of employees:	18.7 years

Note: Most employees of Tokio Marine Holdings are seconded from its subsidiaries. Average length of service includes the years of service at these subsidiaries.

Facilities

Overview of Capital Investment

Tokio Marine Group makes capital investments to improve customer services and streamline workflows. The following is a breakdown of capital investment in the fiscal year ended March 31, 2015.

(As of March 31, 2015)

Business Segment	Amount (Yen in millions)
Domestic non-life insurance	7,574
Domestic life insurance	332
International insurance	7,883
Financial and general businesses	185
Total	15,976

Status of Major Facilities

The following are the major facilities of Tokio Marine Holdings and its consolidated subsidiaries.

(1) Tokio Marine Holdings

(As of March 31, 2015)

Company name	Office name (Location)	Number of sections and local branches	Business segment	Carrying amount (Yen in millions)			Number of employees	Rent (Yen in millions)
				Land (m²)	Buildings	Movables		
Tokio Marine Holdings	**Headquarters** (Chiyoda-ku, Tokyo)	—	Holding company	—	137	67	409	—

(2) Domestic subsidiaries

(As of March 31, 2015)

Company name	Office name (Location)	Number of sections and local branches	Business segment	Carrying amount (Yen in millions)			Number of employees	Rent (Yen in millions)
				Land (m²)	Buildings	Movables		
Tokio Marine & Nichido Fire Insurance Co., Ltd.	**Headquarters** including each Service Dept., Tokyo Corporate Division, Tokyo Automobile Division, Commercial Lines Claims Dept., Claims Service Dept., Tokyo Automobile Claims Service Dept., Marketing Promotion Dept. (Governmental), Government Sector Dept. 1&2, Health Care & Welfare Sector Dept., Group Account Marketing Dept. and Financial Institutions Dept. (Chiyoda-ku, Tokyo)	44	Domestic non-life insurance	30,666 (78,626)	26,705	6,759	4,007	666
	Hokkaido Hokkaido Branch (Chuo-ku, Sapporo) and 6 other branches	15	Domestic non-life insurance	850 (6,190)	879	300	640	554
	Tohoku Sendai Branch (Aoba-ku, Sendai) and 9 other branches	27	Domestic non-life insurance	2,620 (10,266)	3,786	547	1,023	236
	Kanto Tokyo Chuo Branch (Chiyoda-ku) and 31 other branches	57	Domestic non-life insurance	8,278 (13,841)	7,402	1,466	3,801	2,399
	Tokai/Hokuriku Aichi Minami Branch (Nishi-ku, Nagoya) and 25 other branches	32	Domestic non-life insurance	3,811 (12,352)	10,507	1,040	2,338	855
	Kansai Osaka Minami Branch (Chuo-ku, Osaka) and 24 other branches	24	Domestic non-life insurance	7,059 (80,090)	4,979	1,168	2,409	1,690
	Chugoku/Shikoku Hiroshima Branch (Naka-ku, Hiroshima) and 14 other branches	24	Domestic non-life insurance	2,474 (7,224)	2,148	530	1,322	795
	Kyushu Fukuoka Chuo Branch (Hakata-ku, Fukuoka) and 13 other branches	28	Domestic non-life insurance	2,828 (8,811)	4,607	565	1,585	329
Nisshin Fire & Marine Insurance Co., Ltd.	**Head Office (Tokyo Headquarters)** (Chiyoda-ku, Tokyo) **Saitama Headquarters** (Urawa-ku, Saitama)	98	Domestic non-life insurance	10,655 (26,501)	7,915	462	2,379	625
E. design Insurance Co., Ltd.	**Headquarters** (Shinjuku-ku, Tokyo)	3	Domestic non-life insurance	— (—)	62	64	179	123
Tokio Marine & Nichido Life Insurance Co., Ltd.	**Headquarters** (Chiyoda-ku, Tokyo)	94	Domestic life insurance	— (—)	602	565	2,267	1,087

(As of March 31, 2015)

Company name	Office name (Location)	Number of sections and local branches	Business segment	Carrying amount (Yen in millions) Land (m²)	Buildings	Movables	Number of employees	Rent (Yen in millions)
Tokio Marine Millea SAST Insurance Co., Ltd.	**Headquarters** (Nishi-ku, Yokohama)	8	Domestic non-life insurance	— (—)	21	12	142	99
Tokio Marine Asset Management Co., Ltd.	**Headquarters** (Chiyoda-ku, Tokyo)	—	Financial and general businesses	— (—)	56	68	198	258

(3) Overseas subsidiaries

(As of March 31, 2015)

Company name	Office name (Location)	Number of sections and local branches	Business segment	Carrying amount (Yen in millions) Land (m²)	Buildings	Movables	Number of employees	Rent (Yen in millions)
Tokio Marine North America, Inc.	**Headquarters** (Wilmington, Delaware, U.S.A.)	2	International insurance	— (—)	216	1,088	327	342
Philadelphia Consolidated Holding Corp. and 9 other Group companies	**Headquarters** (Bala Cynwyd, Pennsylvania, U.S.A.)	50	International insurance	— (—)	141	603	1,693	1,081
First Insurance Company of Hawaii, Ltd. and 5 other Group companies	**Headquarters** (Honolulu, Hawaii, U.S.A.)	—	International insurance	— (—)	139	61	306	526
Tokio Marine America Insurance Company	**Headquarters** (New York, New York, U.S.A.)	—	International insurance	— (—)	—	—	—	770
Delphi Financial Group, Inc. and 18 other Group companies	**Headquarters** (Wilmington, Delaware, U.S.A.)	45	International insurance	304 (211,254)	2,536	2,243	2,235	—
Tokio Marine Kiln Group Limited and 17 other Group companies	**Headquarters** (London, U.K.)	18	International insurance	— (—)	51	3,756	396	704
Tokio Millennium Re (UK) Limited	**Headquarters** (London, U.K.)	—	International insurance	— (—)	35	84	40	132
Tokio Marine Underwriting Limited	**Headquarters** (London, U.K.)	—	International insurance	— (—)	—	—	—	—
Tokio Millennium Re AG	**Headquarters** (Zurich, Switzerland)	3	Domestic life insurance	— (—)	1,156	498	108	390
Tokio Marine Bluebell Re Limited	**Headquarters** (Douglas, Isle of Man)	—	International insurance	— (—)	—	0	—	—
Tokio Marine Asia Pte. Ltd.	**Headquarters** (Singapore, Singapore)	—	International insurance	— (—)	—	29	80	—
Asia General Holdings Limited	**Headquarters** (Singapore, Singapore)	—	International insurance	— (—)	—	—	—	—
Tokio Marine Insurance Singapore Ltd.	**Headquarters** (Singapore, Singapore)	1	International insurance	1,824 (296)	938	989	199	29
Tokio Marine Life Insurance Singapore Ltd.	**Headquarters** (Singapore, Singapore)	2	International insurance	1,813 (214)	1,024	82	212	10
Tokio Marine Insurans (Malaysia) Berhad	**Headquarters** (Kuala Lumpur, Malaysia)	23	International insurance	— (—)	13	486	1,056	222
Tokio Marine Life Insurance Malaysia Bhd.	**Headquarters** (Kuala Lumpur, Malaysia)	15	International insurance	739 (3,835)	2,350	344	441	11
Tokio Marine Seguradora S.A.	**Headquarters** (São Paulo, Brazil)	64	International insurance	351 (4,660)	152	678	1,628	355

Notes: 1. The number of sections and local branches is the total of sections, local branches and overseas representative offices which belong to the office named in the second column. Overseas branches and overseas representative offices are included in the headquarters.
2. All of the above facilities are for business use.
3. Movables include leased assets.
4. Some buildings are being leased.

5. In addition to the preceding, main leased facilities are as follows:

Company name	Facility name	Carrying amount (Yen in millions)	
		Land (m²)	Buildings
Tokio Marine & Nichido Fire Insurance Co., Ltd.	Osaka Tokyo Kaijo Nichido Building (Chuo-ku, Osaka)	3,889 (5,288)	3,062
	Tokyo Kaijo Nichido Building Shinkan (Chiyoda-ku, Tokyo)	— (2,851)	2,956
	SINO OMIYA South Wing (Omiya-ku, Saitama)	3,851 (2,686)	3,786
	OTEMACHI 1st SQUARE (Chiyoda-ku, Tokyo)	20 (1,354)	2,430
	Minatomirai Business Square (Nishi-ku, Yokohama)	2,600 (1,622)	1,952

6. In addition to the above, main company-owned housing and facilities for employee's fringe benefits are as follows:

Company name	Facility name	Carrying amount (Yen in millions)	
		Land (m²)	Buildings
Tokio Marine & Nichido Fire Insurance Co., Ltd.	Shakujii Ground (Nerima-ku, Tokyo)	3,076 (14,860)	86
	Tama Sogo Ground (Hachioji-shi, Tokyo)	6,705 (53,000)	662
	Tateshina Sanso (Chino-shi, Nagano Pref.)	16 (6,700)	573
Nisshin Fire & Marine Insurance Co., Ltd.	Talk Heim Nisshin (Kita-ku, Saitama)	381 (3,536)	445

New Facility Construction and Elimination Schedule

None planned

Stock Information

Stock and Shareholder Information

Stock Information (As of July 1, 2015)

Stock issued by Tokio Marine Holdings is common stock and the total number of authorized shares is 3.3 billion shares with the total number of shares outstanding at 757,524,375 shares.

a. The Ordinary General Meeting of Shareholders is held within three months of the end of each fiscal year.
b. Accounting period: Ends March 31
c. Share registrar: The Mitsubishi UFJ Trust and Banking Corporation
d. Record date: Ordinary General Meeting of Shareholders: March 31
Year-end dividend: March 31
Interim dividend: September 30
e. Public notice will be electronically published.
(http://www.pronexus.co.jp/koukoku/8766/8766.html)
However, in the event that public notice cannot be electronically published due to an accident or other compelling reason, a notification shall be published in the Tokyo issue of the *Nihon Keizai Shimbun*.
f. Number of shares constituting one unit: 100
g. Stock listing: Tokyo Stock Exchange

Matters for the General Meeting of Shareholders

The 13th General Meeting of Shareholders was held on June 29, 2015. The items reported and the proposals acted upon were as follows:

Items reported

1. Business report, consolidated financial statements and the audit reports on consolidated financial statements prepared by the independent auditor and the Audit & Supervisory Board, respectively, for the fiscal year ended March 31, 2015 (April 1, 2014 to March 31, 2015)
2. Non-consolidated financial statements for the fiscal year ended March 31, 2015 (April 1, 2014 to March 31, 2015)

Proposals acted upon

1. Appropriation of Surplus
2. Election of Ten (10) Directors
3. Election of Two (2) Audit & Supervisory Board Members
4. Change in Remuneration to Directors

The proposals have been approved as proposed.

Dividend Policy

With respect to the appropriation of surplus, the Company seeks to improve shareholder returns by distributing stable dividends on its common stock after taking into consideration the business results and expected future environment of the Company, subject to the Company having provided sufficient capital to meet the business needs of Tokio Marine Group.

Based on this policy, taking various circumstances into consideration, the Company paid a year-end dividend of 55.00 yen per share for the fiscal year ended March 31, 2015.

The Company also paid an interim dividend of 40.00 yen per share, resulting in total dividends for the year of 95.00 yen per share. This was an increase of 25.00 yen per share compared with total annual dividends of 70.00 yen per share in the previous fiscal year.

Capital

Date	Equity capital
April 2, 2002	¥150 billion
March 31, 2015	¥150 billion

Stock Ownership Distribution

As of March 31, 2015, the number of shareholders was 80,117. The percentage of major stock ownership was 35.16% and 43.25% for financial institutions and foreign shareholders, respectively.

a. Types of shareholders

(As of March 31, 2015)

	Number of shareholder(s)	Number of shares	Shareholding ratio (%)
Government/Local government	1	500	0.00
Financial institutions	238	266,382,870	35.16
Financial instruments firms	53	9,539,773	1.26
Other domestic companies	1,679	60,220,460	7.95
Foreign shareholders	747	327,648,220	43.25
Individuals and others	77,398	90,807,093	11.99
Treasury stocks	1	2,925,459	0.39
Total	80,117	757,524,375	100.00

b. Breakdown by region

(As of March 31, 2015)

	Number of shareholders	Shareholders' ratio (%)	Number of shares	Shareholding ratio (%)
Hokkaido	1,103	1.38	2,757,870	0.36
Tohoku	1,848	2.31	4,703,521	0.62
Kanto	37,740	47.11	355,585,285	46.94
Chubu	12,323	15.38	28,995,004	3.83
Kinki	18,027	22.50	24,874,856	3.28
Chugoku	3,172	3.96	4,993,786	0.66
Shikoku	2,019	2.52	3,299,224	0.44
Kyushu	3,090	3.86	5,805,966	0.77
Overseas and others	795	0.99	326,508,863	43.10
Total	80,117	100.00	757,524,375	100.00

c. Breakdown by number of shares held

(As of March 31, 2015)

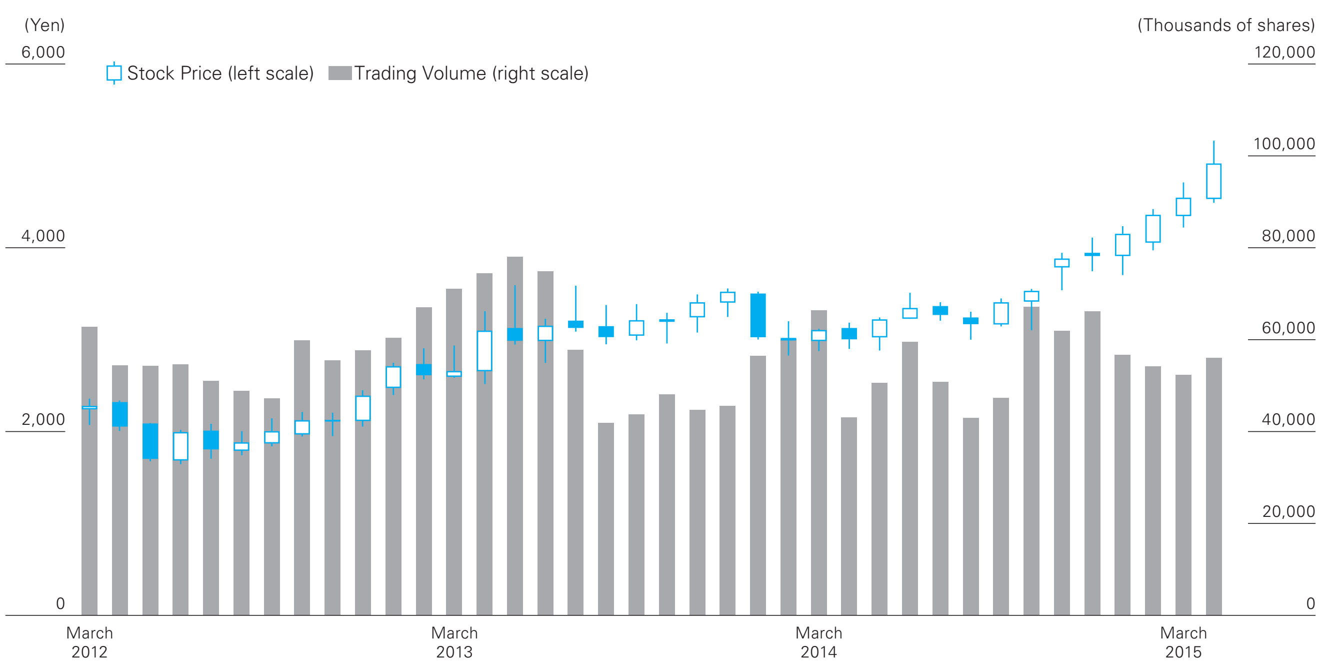
Category	5,000 units or more	1,000 units or more	500 units or more	100 units or more	50 units or more	10 units or more	5 units or more	1 unit or more	Less than 1 unit	Total
Number of shareholder(s)	206	273	165	1,228	2,443	20,249	17,242	23,463	14,848	80,117
Composition ratios to total number of shareholders (%)	0.26	0.34	0.21	1.53	3.05	25.27	21.52	29.29	18.53	100.00
Number of shares	594,703,025	61,209,446	11,540,354	21,727,167	15,836,570	37,966,319	9,597,030	4,379,449	565,015	757,524,375
Composition ratios to total number of shares (%)	78.51	8.08	1.52	2.87	2.09	5.01	1.27	0.58	0.07	100.00

Top 10 Shareholders

(As of March 31, 2015)

Shareholders	Address	Number of shares held (thousand shares)	Composition ratios to total number of shares (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	11-3, Hamamatsucho 2-chome, Minato-ku, Tokyo	38,903	5.1
Japan Trustee Services Bank, Ltd. (Trust Account)	8-11, Harumi 1-chome, Chuo-ku, Tokyo	33,009	4.4
State Street Bank and Trust Company 505001 (Custodian: Mizuho Bank, Ltd. Settlement & Clearing Services Division)	P.O. Box 351, Boston, Massachusetts 02101, U.S.A. (16-13, Tsukishima 4-chome, Chuo-ku, Tokyo)	17,946	2.4
Meiji Yasuda Life Insurance Company (Custodian: Trust & Custody Services Bank, Ltd.)	1-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo (Harumi Island Triton Square Office Tower Z, 8-12, Harumi 1-chome, Chuo-ku, Tokyo)	15,779	2.1
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	7-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo	15,695	2.1
The Bank of New York Mellon SA/NV 10 (Custodian: The Bank of Tokyo-Mitsubishi UFJ, Ltd.)	Rue Montoyerstraat 46, 1000 Brussels, Belgium (7-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo)	14,640	1.9
JP Morgan Chase Bank 385632 (Custodian: Mizuho Bank, Ltd. Settlement & Clearing Services Division)	25 Bank Street, Canary Wharf, London, United Kingdom (16-13, Tsukishima 4-chome, Chuo-ku, Tokyo)	12,229	1.6
State Street Bank and Trust Company 505225 (Custodian: Mizuho Bank, Ltd. Settlement & Clearing Services Division)	P.O. Box 351, Boston, Massachusetts 02101, U.S.A. (16-13, Tsukishima 4-chome, Chuo-ku, Tokyo)	11,147	1.5
The Master Trust Bank of Japan, Ltd. (Retirement Benefits Trust Account for Mitsubishi Corporation)	11-3, Hamamatsucho 2-chome, Minato-ku, Tokyo	10,832	1.4
Tokai Nichido Employee Stock Ownership Plan	2-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo	10,536	1.4

Stock Price Range and Trading Volume



TOKIO MARINE

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