

[English Translation]

TOKIO MARINE HOLDINGS, INC.
2-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan

Securities Code 8776

June 1, 2020

Notice of Convocation of
the 18th Ordinary General Meeting of Shareholders

To our shareholders:

You are cordially given the notification of the 18th Ordinary General Meeting of Shareholders of Tokio Marine Holdings, Inc. (“Tokio Marine Holdings” or the “Company”) which will be held as set forth below. As a result of our careful consideration of the spread of coronavirus disease 2019 (COVID-19), the meeting will be held with appropriate measures to prevent infection.

Date and Time:	Monday, June 29, 2020 at 10:00 a.m. (reception opens at 8:45 a.m.)
Place:	The AOI Ballroom, second floor, Palace Hotel Tokyo located at 1-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo If it becomes difficult to use the above place due to any changes in the conditions regarding COVID-19, the place might be changed. In that case, we will promptly inform you of the change of place on our website(https://www.tokiomarinehd.com/), we ask you to check our website before your visit on the day.
Items to be 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 fiscal year 2019 (April 1, 2019 to March 31, 2020). 2. Non-consolidated financial statements for fiscal year 2019 (April 1, 2019 to March 31, 2020).
Proposals to be acted upon:	Item 1. Appropriation of Surplus Item 2. Election of Thirteen (13) Directors Item 3. Election of One (1) Audit & Supervisory Board Member

In light of the prevention of spread of COVID-19, we ask that you consider the possibility of withholding your attendance this year and please vote either by completing and returning the enclosed voting card or via the Internet. Please review the “Reference Materials Concerning the General Meeting of Shareholders” from page 4 to 28 and exercise your voting rights by 5:00 p.m. on Friday, June 26, 2020.

Sincerely,

Satoru Komiya
President & Chief Executive Officer

If any of the Reference Materials regarding the General Meeting of Shareholders, Business Report or consolidated and non-consolidated financial statements need to be revised, the revisions shall be posted on our website (<https://www.tokiomarinehd.com/>).

(This is an English translation of the notice given by the Company prepared pursuant to Section 5.6 of the Deposit Agreement, amended as of July 30, 2007, by and among the Company, JPMorgan Chase Bank, N.A., as Depositary, and the Holders and Beneficial Owners of American Depositary Shares evidenced by American Depositary Receipts issued thereunder.)

Information on Exercising Voting Rights

Notice to holders of American Depositary Receipts: Please note that the following instructions are intended for registered holders of ordinary shares. Holders of American Depositary Receipts should follow the instructions given by JPMorgan Chase Bank, N.A., Depository, which are set forth in the ADR Voting Instructions Card enclosed herewith.

Attending the Ordinary General Meeting of Shareholders	By Mail	Via Internet
<p>Please bring the enclosed voting card to the reception desk of the meeting.</p> <hr/> <p>Date and Time of the meeting: Monday, June 29, 2020 at 10:00 a.m. (Japan Time)</p>	<p>Please return the enclosed voting card indicating your approval or disapproval so that it is received by 5:00 p.m. on Friday, June 26, 2020 (Japan Time).</p>	<p>Please access the website that has been designated by the Company as the website for exercising voting rights (https://evote.tr.mufg.jp/) and indicate your approval or disapproval by 5:00 p.m. on Friday, June 26, 2020 (Japan Time).</p>

(1) For inquiries concerning website access

Mitsubishi UFJ Trust and Banking Corporation, Stock Transfer Agency Division
 Telephone: 0120-173-027 (toll-free within Japan)
 Hours: 9:00 a.m. - 9:00 p.m. (Japan Time)

(2) For inquiries other than the above

Mitsubishi UFJ Trust and Banking Corporation, Stock Transfer Agency Division
 Telephone: 0120-232-711 (toll-free within Japan)
 Hours: 9:00 a.m. - 5:00 p.m. (Japan Time), except Saturdays, Sundays and holidays

To Institutional Investors:

“Electronic Proxy Voting Platform” managed by ICJ, Inc., a method for exercising the voting rights, will be available for institutional investors.

Reference Materials regarding the General Meeting of Shareholders

Proposals to be acted upon and matters for reference:

Item 1. Appropriation of Surplus

With respect to the appropriation of surplus, the Company seeks to improve shareholder returns on a cash dividend basis, after providing sufficient capital to meet the business needs of Tokyo Marine Group (the “Group”) and taking into consideration the business results and the expected future business environment of the Company.

In accordance with the above policy, and considering various factors, the Company proposes to pay 95 yen per share of the Company as a year-end cash dividend (an ordinary dividend). As 95 yen per share was paid as an interim cash dividend, the total amount of annual cash dividends (ordinary dividends) will be 190 yen per share for fiscal year 2019. This is an increase of total annual cash dividends (ordinary dividends) of 10 yen per share from 180 yen per share paid for the previous fiscal year.

1. Matters regarding distribution of dividends and its aggregate amount

Amount of cash dividend per common share of the Company: 95 yen

Aggregate amount of cash dividends: 66,297,684,675 yen

2. Effective date of the distribution of dividends

June 30, 2020

Note: In the previous year and this fiscal year, a one-time dividend (70 yen per share for this fiscal year and 35 yen per share for the previous fiscal year) was made as an interim cash dividend, in addition to ordinary dividends, for capital level adjustment.

Item 2. Election of Thirteen (13) Directors

The term of office of all twelve (12) directors will expire at the close of this Meeting. For the next term, the Company proposes the election of thirteen (13) directors, increasing the number of outside directors by one (1), in order to strengthen the function of the Board.

The candidates for directors are as follows:

No.	Name	Gender	Present position and responsibilities
1	Tsuyoshi Nagano For reappointment	Male	Chairman of the Board
2	Satoru Komiya For reappointment	Male	President & Chief Executive Officer Group CEO (Group Chief Executive Officer) Group CCO (Group Chief Culture Officer)
3	Takayuki Yuasa For reappointment	Male	Executive Vice President Group CFO (Group Chief Financial Officer) In charge of Corporate Planning Dept.
4	Akira Harashima For reappointment	Male	Senior Managing Director Head of International Insurance Business Co-Head of International Business In charge of International Business Development Dept. (management of North America, except TMHCC and Pure)
5	Kenji Okada For reappointment	Male	Managing Director Group CLCO (Group Chief Legal and Compliance Officer) Group CRO (Group Chief Risk Officer) In charge of Legal & Compliance Dept., Risk Management Dept. and Internal Audit Dept.
6	Shinichi Hirose For reappointment	Male	Director

7	Akio Mimura <u>For reappointment</u> <u>Independent</u>	Male	Outside Director
8	Masako Egawa <u>For reappointment</u> <u>Independent</u>	Female	Outside Director
9	Takashi Mitachi <u>For reappointment</u> <u>Independent</u>	Male	Outside Director
10	Nobuhiro Endo <u>For reappointment</u> <u>Independent</u>	Male	Outside Director
11	Shinya Katanozaka <u>For new appointment</u> <u>Independent</u>	Male	-
12	Tadashi Handa <u>For new appointment</u>	Male	Senior Managing Executive Officer Group CSSO (Group Chief Strategy and Synergy Officer)
13	Yoshinari Endo <u>For new appointment</u>	Male	Managing Executive Officer

Note: The five (5) people indicated 'Independent' in the above table are candidates for outside directors.

No.	Name (Date of birth) (Gender)	Brief personal history, position, responsibilities and major concurrent posts	Number of the Company's shares held
1.	Tsuyoshi Nagano (November 9, 1952) (Male) <u>For Reappointment</u>	<p>April 1975 Joined Tokio Marine</p> <p>June 2003 Executive Officer and General Manager of Nagoya Production Dept. III, Tokai Division of Tokio Marine</p> <p>Oct. 2004 Executive Officer and General Manager of Nagoya Production Dept. III of Tokio Marine & Nichido Fire Insurance Co., Ltd. (“Tokio Marine & Nichido”)</p> <p>June 2006 Managing Executive Officer of Tokio Marine & Nichido</p> <p>June 2008 Managing Director of Tokio Marine & Nichido</p> <p>June 2008 Director of Tokio Marine Holdings</p> <p>June 2009 Resigned from position as Director of Tokio Marine Holdings</p> <p>June 2010 Senior Managing Director of Tokio Marine & Nichido</p> <p>June 2011 Senior Managing Director of Tokio Marine Holdings</p> <p>June 2012 Executive Vice President of Tokio Marine & Nichido</p> <p>June 2012 Executive Vice President of Tokio Marine Holdings</p> <p>June 2013 President & Chief Executive Officer of Tokio Marine & Nichido</p> <p>June 2013 President & Chief Executive Officer of Tokio Marine Holdings</p> <p>April 2016 Chairman of the Board of Tokio Marine & Nichido</p> <p>June 2019 Resigned from position as Chairman of the Board of Tokio Marine & Nichido</p> <p>June 2019 Chairman of the Board of Tokio Marine Holdings (to present)</p> <p>(Major concurrent posts) Director (Outside Director) of Seiko Holdings Corporation</p>	27,600 shares

(Reason for nomination of candidate for director)

The reason for proposing Mr. Tsuyoshi Nagano as a candidate for director is that he is expected to fulfill his role adequately in deciding important matters regarding business execution and in supervising the execution of duties by other directors as a member of the Board, based on his wealth of experience and results he has achieved since joining Tokio Marine. This includes his engagement with respect to domestic and overseas insurance underwriting, his work in corporate planning and product planning and his terms in office as

President & Chief Executive Officer and Chairman of the Board of Tokio Marine & Nichido and the Company.

Notes: 1. There are no special relationships of interest between the Company and Mr. Tsuyoshi Nagano.

No.	Name (Date of birth) (Gender)	Brief personal history, position, responsibilities and major concurrent posts	Number of the Company's shares held
2.	Satoru Komiya (August 15, 1960) (Male) <u>For Reappointment</u>	<p>April 1983 Joined Tokio Marine</p> <p>June 2012 Member of the Board, Managing Director and Executive Officer of Nisshin Fire & Marine Insurance Co., Ltd. (“Nisshin Fire & Marine”)</p> <p>March 2015 Resigned from positions as Member of the Board, Managing Director and Executive Officer of Nisshin Fire & Marine</p> <p>April 2015 Executive Officer of Tokio Marine Holdings</p> <p>April 2016 Managing Executive Officer of Tokio Marine Holdings</p> <p>April 2018 Senior Managing Executive Officer of Tokio Marine Holdings</p> <p>April 2018 Senior Managing Director of Tokio Marine & Nichido</p> <p>June 2018 Senior Managing Director of Tokio Marine Holdings</p> <p>June 2019 Chairman of the Board of Tokio Marine & Nichido (to present)</p> <p>June 2019 President & Chief Executive Officer of Tokio Marine Holdings (to present)</p> <p>(Responsibilities) Group CEO (Group Chief Executive Officer) Group CCO (Group Chief Culture Officer)</p> <p>(Major concurrent posts) Chairman of the Board of Tokio Marine & Nichido</p>	12,100 shares

(Reason for nomination of candidate for director)

The reason for proposing Mr. Satoru Komiya as a candidate for director is that he is expected to fulfill his role adequately in deciding important matters regarding business execution and in supervising the execution of duties by other directors as a member of the Board, based on his wealth of experience and results he has achieved since joining Tokio Marine. This includes his engagement with respect to domestic insurance underwriting, human resources, sales planning, and management of the group companies, his terms in office as head of international insurance business as Executive Officer of the Company, and his current role in the management of the Group as a whole, as Group CEO.

Notes: 1. There are no special relationships of interest between the Company and Mr. Satoru Komiya.

No.	Name (Date of birth) (Gender)	Brief personal history, position, responsibilities and major concurrent posts	Number of the Company's shares held
3.	Takayuki Yuasa (May 5, 1958) (Male) <u>For Reappointment</u>	<p>April 1981 Joined Tokio Marine</p> <p>June 2012 President & Chief Executive Officer of Tokio Marine & Nichido Financial Life Insurance Co., Ltd.</p> <p>Sep. 2014 Resigned from position as President & Chief Executive Officer of Tokio Marine & Nichido Financial Life Insurance Co., Ltd.</p> <p>Oct. 2014 Managing Executive Officer of Tokio Marine Holdings</p> <p>June 2015 Managing Director of Tokio Marine & Nichido</p> <p>June 2015 Managing Director of Tokio Marine Holdings</p> <p>April 2018 Senior Managing Director of Tokio Marine Holdings</p> <p>April 2018 Senior Managing Director of Tokio Marine & Nichido</p> <p>April 2019 Executive Vice President of Tokio Marine Holdings (to present)</p> <p>April 2019 Executive Vice President of Tokio Marine & Nichido (to present)</p> <p>(Responsibilities) Group CFO (Group Chief Financial Officer) In charge of Corporate Planning Dept.</p> <p>(Major concurrent posts) Executive Vice President of Tokio Marine & Nichido</p>	Shares 13,600 shares

(Reason for nomination of candidate for director)

The reason for proposing Mr. Takayuki Yuasa as a candidate for director is that he is expected to fulfill his role adequately in deciding important matters regarding business execution and in supervising the execution of duties by other directors as a member of the Board, based on his wealth of experience and results he has achieved since joining Tokio Marine. This includes his engagement with respect to corporate planning, finance, accounting, and the domestic life and non-life insurance businesses, his terms in office as Executive Officer of Tokio Marine & Nichido and the Company being responsible for risk management, and his current role as head of capital strategy of the Group as Executive Vice President of the Company.

Note: There are no special relationships of interest between the Company and Mr. Takayuki Yuasa.

No.	Name (Date of birth) (Gender)	Brief personal history, position, responsibilities and major concurrent posts	Number of the Company's shares held
4.	Akira Harashima (November 19, 1960) (Male) <u>For Reappointment</u>	<p>April 1984 Joined Tokio Marine</p> <p>April 2014 Executive Officer and General Manager of Corporate Planning Dept. of Tokio Marine Holdings</p> <p>April 2015 Executive Officer of Tokio Marine Holdings (Head of America)</p> <p>April 2016 Managing Executive Officer of Tokio Marine Holdings</p> <p>April 2019 Senior Managing Executive Officer of Tokio Marine Holdings</p> <p>June 2019 Senior Managing Director of Tokio Marine & Nichido (to present)</p> <p>June 2019 Senior Managing Director of Tokio Marine Holdings (to present)</p> <p>(Responsibilities) Head of International Insurance Business Co-Head of International Business In charge of International Business Development Dept. (management of North America except TMHCC and Pure) *“TMHCC” and “Pure”, headquartered in the United States, are subsidiary companies of the Company.</p> <p>(Major concurrent posts) Senior Managing Director of Tokio Marine & Nichido</p>	7,600 Shares

(Reason for nomination of candidate for director)

The reason for proposing Mr. Akira Harashima as a candidate for director is that he is expected to fulfill his role adequately in deciding important matters regarding business execution and in supervising the execution of duties by other directors as a member of the Board, based on his wealth of experience and results he has achieved since joining Tokio Marine. This includes his engagement with respect to international insurance business and corporate planning business, his term in office as Executive Officer of the Company in charge of international insurance business in the Americas, Asia and elsewhere, and his current role as head of international insurance business as Senior Managing Director of the Company.

Notes: 1. There are no special relationships of interest between the Company and Mr. Akira Harashima.

No.	Name (Date of birth) (Gender)	Brief personal history, position, responsibilities and major concurrent posts	Number of the Company's shares held
5.	Kenji Okada (September 19, 1963) (Male) <u>For Reappointment</u>	<p>April 1986 Joined Tokio Marine</p> <p>April 2018 Executive Officer and General Manager of Internal Audit Dept. of Tokio Marine Holdings</p> <p>April 2019 Managing Executive Officer of Tokio Marine Holdings</p> <p>April 2019 Managing Executive Officer of Tokio Marine & Nichido</p> <p>June 2019 Managing Director of Tokio Marine & Nichido (to present)</p> <p>June 2019 Managing Director of Tokio Marine Holdings (to present)</p> <p>(Responsibilities) Group CLCO (Group Chief Legal and Compliance Officer) Group CRO (Group Chief Risk Officer) In charge of Legal & Compliance Dept., Risk Management Dept. and Internal Audit Dept.</p> <p>(Major concurrent posts) Managing Director of Tokio Marine & Nichido</p>	7,400 Shares

(Reason for nomination of candidate for director)

The reason for proposing Mr. Kenji Okada as a candidate for director is that he is expected to fulfill his role adequately in deciding important matters regarding business execution and in supervising the execution of duties by other directors as a member of the Board, based on his wealth of experience and results he has achieved since joining Tokio Marine. This includes his engagement with respect to financial planning, corporate planning business, and international insurance business, and his current role as head of group legal & compliance and risk management as Managing Director of the Group.

Notes: 1. There are no special relationships of interest between the Company and Mr. Kenji Okada.

No.	Name (Date of birth) (Gender)	Brief personal history, position, responsibilities and major concurrent posts	Number of the Company's shares held
6.	Shinichi Hirose (December 7, 1959) (Male) <u>For Reappointment</u>	<p>April 1982 Joined Tokio Marine</p> <p>June 2013 Managing Director of Tokio Marine & Nichido Life Insurance Co., Ltd. ("Tokio Marine & Nichido Life")</p> <p>April 2014 President & Chief Executive Officer of Tokio Marine & Nichido Life</p> <p>June 2014 Director of Tokio Marine Holdings</p> <p>March 2017 Resigned from position as President & Chief Executive Officer of Tokio Marine & Nichido Life</p> <p>April 2017 Managing Director of Tokio Marine Holdings</p> <p>June 2017 Managing Executive Officer of Tokio Marine Holdings</p> <p>April 2018 Senior Managing Executive Officer of Tokio Marine Holdings</p> <p>March 2019 Resigned from position as Senior Managing Executive Officer of Tokio Marine Holdings</p> <p>April 2019 President & Chief Executive Officer of Tokio Marine & Nichido (to present)</p> <p>June 2019 Director of Tokio Marine Holdings (to present)</p> <p>(Major concurrent posts) President & Chief Executive Officer of Tokio Marine & Nichido</p>	19,375 Shares

(Reason for nomination of candidate for director)

The reason for proposing Mr. Shinichi Hirose as a candidate for director is that he is expected to fulfill his role adequately in deciding important matters regarding business execution and in supervising the execution of duties by other directors as a member of the Board, based on his wealth of experience and results he has achieved since joining Tokio Marine. This includes his engagement with respect to product planning, sales planning, and domestic life and non-life insurance businesses, his terms in office as President & Chief Executive Officer of Tokio Marine & Nichido Life, and as Executive Officer of the Company in charge of international insurance business, and his current leadership role in the management of Tokio Marine & Nichido as President & Chief Executive Officer.

Note: There are no special relationships of interest between the Company and Mr. Shinichi Hirose.

No.	Name (Date of birth) (Gender)	Brief personal history, position, responsibilities and major concurrent posts	Number of the Company's shares held
7.	Akio Mimura (November 2, 1940) (Male) <u>For Reappointment</u> <u>Independent</u>	<p>April 1963 Joined Fuji Iron & Steel Co., Ltd.</p> <p>June 1993 Director of Nippon Steel Corporation</p> <p>April 1997 Managing Director of Nippon Steel Corporation</p> <p>April 2000 Representative Director and Executive Vice President of Nippon Steel Corporation</p> <p>April 2003 Representative Director and President of Nippon Steel Corporation</p> <p>April 2008 Representative Director and Chairman of Nippon Steel Corporation</p> <p>June 2010 Director of Tokio Marine Holdings (outside director, to present)</p> <p>Oct. 2012 Director, Member of the Board and Senior Advisor of Nippon Steel & Sumitomo Metal Corporation</p> <p>June 2013 Senior Advisor of Nippon Steel & Sumitomo Metal Corporation</p> <p>Nov. 2013 Senior Advisor, Honorary Chairman of Nippon Steel & Sumitomo Metal Corporation</p> <p>June 2018 Senior Advisor, Honorary Chairman of Nippon Steel & Sumitomo Metal Corporation</p> <p>April 2019 Senior Advisor, Honorary Chairman of Nippon Steel Corporation (to present)</p> <p>(Major concurrent posts)</p> <p>Senior Advisor, Honorary Chairman of Nippon Steel Corporation</p> <p>Director of JAPAN POST HOLDINGS Co., Ltd. (outside director)</p> <p>Director of Development Bank of Japan Inc. (outside director)</p> <p>Director of Innovation Network Corporation of Japan (outside director)</p> <p>Director of Nisshin Seifun Group Inc. (outside director)</p> <p>Chairman of The Japan Chamber of Commerce and Industry</p> <p>Chairman of The Tokyo Chamber of Commerce and Industry</p>	6,800 shares

(Reason for nomination of candidate for outside director)

Mr. Akio Mimura is a candidate for outside director. The reason for proposing him as a candidate for outside director is that he is expected to fulfill his supervisory functions and provide valuable advice to the Board based on his insight as a specialist in business management acquired through many years of experience in a management role.

(Independence)

1. Mr. Akio Mimura satisfies the requirements for “independent director/auditor” as specified by the Tokyo Stock Exchange, Inc.

2. He fulfills the Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members set by the Company, which are provided on page 28 of these reference materials.
3. He concurrently serves as Senior Advisor, Honorary Chairman of Nippon Steel Corporation, which has no business transactions with the Company. Insurance subsidiaries of the Company conduct insurance-related transactions with Nippon Steel Corporation; however, these transactions constitute less than 1 percent of its consolidated net sales and the Company's consolidated ordinary income (which corresponds to consolidated net sales), respectively.

(Major activities)

1. Mr. Akio Mimura attended 10 of the 11 board of directors' meetings held during fiscal year 2019.
2. He has fulfilled his supervisory functions by presenting inquiries and remarks at the board of directors' meetings, based on his insight as a specialist in business management acquired through many years of experience in a management role.

- Notes:
1. There are no special relationships of interest between the Company and Mr. Akio Mimura.
 2. He will have served as an outside director for 10 years at the close of this Meeting.
 3. In accordance with the provisions of Article 427, paragraph 1 of the Companies Act of Japan, the Company has entered into an agreement with him to limit his liability provided for in Article 423, paragraph 1 of the Companies Act of Japan. The limitation of liability under the agreement shall be the higher of either 10 million yen or the amount provided in Article 425, paragraph 1 of the Companies Act of Japan. The Company intends to maintain the agreement if he is elected as proposed.
 4. On December 27, 2019, JAPAN POST HOLDINGS Co., Ltd., where he serves as an outside director, received orders for the improvement of business management from the Minister of Internal Affairs and Communications and from the Financial Services Agency. These orders were issued because it was found that JAPAN POST HOLDINGS Co., Ltd., had deficiencies in its management system given that, despite being aware of facts indicative of inappropriate sales practices at its subsidiaries JAPAN POST INSURANCE Co., Ltd. and Japan Post Co., Ltd. had not instructed these companies to fully identify the actual state of affairs nor to take countermeasures, etc. While Mr. Mimura did not have advance awareness of the facts in this matter, he has always made recommendations in his role at JAPAN POST HOLDINGS Co., Ltd. from the standpoint of importance of group governance and internal control. Afterwards, he led a thorough investigation of the facts that had been discovered, and suggested the implementation of measures to prevent recurrence of such incidents.

No.	Name (Date of birth) (Gender)	Brief personal history, position, responsibilities and major concurrent posts	Number of the Company's shares held
8.	Masako Egawa (September 7, 1956) (Female) <u>For Reappointment</u> <u>Independent</u>	<p>April 1980 Joined Citibank, N.A., Tokyo Branch</p> <p>Sep. 1986 Joined Salomon Brothers Inc, New York Head Office</p> <p>June 1988 Joined Salomon Brothers Asia Limited, Tokyo Branch</p> <p>Dec. 1993 Joined S.G. Warburg Securities, Tokyo Branch</p> <p>Nov. 2001 Executive Director, Japan Research Center, Harvard Business School</p> <p>April 2009 Executive Vice President, The University of Tokyo</p> <p>March 2015 Resigned from position as Executive Vice President, The University of Tokyo</p> <p>June 2015 Director of Tokio Marine Holdings (outside director, to present)</p> <p>Sep. 2015 Professor, Graduate School of Commerce and Management, Hitotsubashi University</p> <p>April 2018 Professor, Graduate School of Business Administration, Hitotsubashi University</p> <p>April 2020 Specially Appointed Professor, Graduate School of Business Administration, Hitotsubashi University (to present)</p> <p>(Major concurrent posts) Specially Appointed Professor, Graduate School of Business Administration, Hitotsubashi University Director of Mitsui Fudosan Co., Ltd. (outside director)</p>	3,200 shares

(Reason for nomination of candidate for outside director)

Ms. Masako Egawa is a candidate for outside director. The reason for proposing her as a candidate for outside director is that she is expected to fulfill her supervisory functions and provide valuable advice to the Board based on her insight into corporate management, etc. acquired through many years of experience in financial institutions, involvement in academic activities related to corporate governance, and experience at The University of Tokyo as an Executive Vice President. While she has not been involved in business management other than as an outside director or an outside audit & supervisory board member, based on her performance since assumption of her office as an outside director of the Company, we believe that she will effectively perform her duties as an outside director.

(Independence)

- Ms. Masako Egawa satisfies the requirements for "independent director/auditor" as specified by the Tokyo Stock Exchange, Inc.
- She fulfills the Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members set by the Company, which are provided on page 28 of these reference materials.

(Major activities)

- Ms. Masako Egawa attended all 11 board of directors' meetings held during fiscal year 2019.

2. She has fulfilled her supervisory functions by presenting inquiries and remarks at the board of directors' meetings, based on her insight as a specialist in business management acquired through many years of experience in financial institutions, involvement in academic activities related to corporate governance and experience at The University of Tokyo as an Executive Vice President.

Notes: 1. There are no special relationships of interest between the Company and Ms. Masako Egawa.

2. She will have served as an outside director for 5 years at the close of this Meeting.

3. In accordance with the provisions of Article 427, paragraph 1 of the Companies Act of Japan, the Company has entered into an agreement with her to limit her liability provided for in Article 423, paragraph 1 of the Companies Act of Japan. The limitation of liability under the agreement shall be the higher of either 10 million yen or the amount provided in Article 425, paragraph 1 of the Companies Act of Japan. The Company intends to maintain the agreement if she is elected as proposed.

4. She is expected to assume the position of outside director of MITSUI & CO., LTD. on the date of the ordinary general meeting of shareholders of MITSUI & CO., LTD. scheduled for June 2020.

No.	Name (Date of birth) (Gender)	Brief personal history, position, responsibilities and major concurrent posts	Number of the Company's shares held
9.	Takashi Mitachi (January 21, 1957) (Male) <u>For Reappointment</u> <u>Independent</u>	<p>April 1979 Joined Japan Airlines Co., Ltd.</p> <p>Oct. 1993 Joined The Boston Consulting Group</p> <p>Jan. 1999 Vice President of The Boston Consulting Group</p> <p>Jan. 2005 Japan Co-Chairman and Senior Partner & Managing Director of The Boston Consulting Group</p> <p>Jan. 2016 Senior Partner & Managing Director of The Boston Consulting Group</p> <p>June 2017 Director of Tokio Marine Holdings (outside director, to present)</p> <p>Oct. 2017 Senior Advisor of The Boston Consulting Group (to present)</p> <p>(Major concurrent posts)</p> <p>Senior Advisor of The Boston Consulting Group</p> <p>Director of Rakuten, Inc. (outside director)</p> <p>Director of DMG Mori Co., Ltd. (outside director)</p> <p>Director of Unicharm Corporation (outside director)</p>	100 shares

(Reason for nomination of candidate for outside director)

Mr. Takashi Mitachi is a candidate for outside director. The reason for proposing him as a candidate for outside director is that he is expected to fulfill his supervisory functions and provide valuable advice to the Board based on his insight as a specialist in business management acquired through many years of experience in a consulting firm and a management role.

(Independence)

1. Mr. Takashi Mitachi satisfies the requirements for “independent director/auditor” as specified by the Tokyo Stock Exchange, Inc.
2. He fulfills the Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members set by the Company, which are provided on page 28 of these reference materials.
3. He concurrently serves as Senior Advisor of The Boston Consulting Group, which conducts consulting-related transactions with the Company and insurance subsidiaries of the Company; however, these transactions constitute less than 1 percent of its consolidated net sales and the Company's consolidated ordinary income (which corresponds to consolidated net sales), respectively.

(Major activities)

1. Mr. Takashi Mitachi attended all 11 board of directors' meetings held during fiscal year 2019.
2. He has fulfilled his supervisory functions by presenting inquiries and remarks at the board of directors' meetings, based on his insight as a specialist in business management acquired through many years of experience in a consulting firm and a management role.

- Notes: 1. There are no special relationships of interest between the Company and Mr. Takashi Mitachi.
2. He will have served as an outside director for 3 years at the close of this Meeting.
3. In accordance with the provisions of Article 427, paragraph 1 of the Companies Act of Japan, the Company has entered into an agreement with him to limit his liability provided for in Article 423, paragraph 1 of the Companies Act of Japan. The limitation of liability under the

agreement shall be the higher of either 10 million yen or the amount provided in Article 425, paragraph 1 of the Companies Act of Japan. The Company intends to maintain the agreement if he is elected as proposed.

No.	Name (Date of birth) (Gender)	Brief personal history, position, responsibilities and major concurrent posts	Number of the Company's shares held
10.	Nobuhiro Endo (November 8, 1953) (Male) <u>For reappointment</u> <u>Independent</u>	<p>April 1981 Joined NEC Corporation</p> <p>April 2006 Senior Vice President and Executive General Manager of Mobile Network Operations Unit of NEC Corporation</p> <p>April 2009 Executive Vice President of NEC Corporation</p> <p>June 2009 Executive Vice President and Member of the Board of NEC Corporation</p> <p>April 2010 President (Representative Director) of NEC Corporation</p> <p>April 2016 Chairman of the Board (Representative Director) of NEC Corporation</p> <p>June 2019 Chairman of the Board of NEC Corporation (to present)</p> <p>June 2019 Director of Tokio Marine Holdings (outside director, to present)</p> <p>(Major concurrent posts)</p> <p>Chairman of the Board of NEC Corporation</p> <p>Director of Sumitomo Dainippon Pharma Co., Ltd. (outside director)</p> <p>Director of Japan Exchange Group, Inc. (outside director)</p> <p>Vice Chairman of Japan Association of Corporate Executives</p>	200 shares

(Reason for nomination of candidate for outside director)

Mr. Nobuhiro Endo is a candidate for outside director. The reason for proposing him as a candidate for outside director is that he is expected to fulfill his supervisory functions and provide valuable advice to the Board based on his insight as a specialist in business management acquired through many years of experience in a management role.

(Independence)

1. Mr. Nobuhiro Endo satisfies the requirements for "independent director/auditor" as specified by the Tokyo Stock Exchange, Inc.
2. He fulfills the Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members set by the Company, which are provided on page 28 of these reference materials.
3. He concurrently serves as Chairman of the Board of NEC Corporation, which conducts systems-related and other business transactions with the Company and insurance subsidiaries of the Company; however, these transactions constitute less than 1 percent of its consolidated revenue and the Company's consolidated ordinary income (which corresponds to consolidated net sales), respectively. Insurance subsidiaries of the Company conduct insurance-related transactions with NEC Corporation;

however, these transactions constitute less than 1 percent of its consolidated revenue and the Company's consolidated ordinary income (which corresponds to consolidated net sales), respectively.

(Major activities)

1. Mr. Nobuhiro Endo attended 8 of the 9 board of directors' meetings held during fiscal year 2019 after assuming the position of director.
2. He has fulfilled his supervisory functions by presenting inquiries and remarks at the board of directors' meetings, based on his insight as a specialist in business management acquired through many years of experience in a management role.

Notes: 1. There are no special relationships of interest between the Company and Mr. Nobuhiro Endo.

2. He will have served as an outside director for 1 year at the close of this Meeting.

3. In accordance with the provisions of Article 427, paragraph 1 of the Companies Act of Japan, the Company has entered into an agreement with him to limit his liability provided for in Article 423, paragraph 1 of the Companies Act of Japan. The limitation of liability under the agreement shall be the higher of either 10 million yen or the amount provided in Article 425, paragraph 1 of the Companies Act of Japan. The Company intends to maintain the agreement if he is elected as proposed.

4. It is acknowledged that the Japan Fair Trade Commission identified activities in violation of antitrust law by NEC Corporation, where Mr. Nobuhiro Endo serves as Chairman of the Board, with respect to transactions with Tokyo Electric Power Company Holdings, Inc. (formerly Tokyo Electric Power Company) regarding telecommunications equipment for electric power systems on July 12, 2016. In addition, NEC Corporation was issued with Cease and Desist Orders and Orders for Payment of Surcharge by the Japan Fair Trade Commission on February 2, 2017 for activities in violation of antitrust law with respect to transactions for fire-fighting and emergency digital radio equipment, and on February 15, 2017 for activities in violation of antitrust law with respect to transactions with Chubu Electric Power Co., Inc. for hybrid optical communication equipment and equipment for transmission lines for Chubu Electric Power Co., Inc. Following the recognition of the facts, Mr. Endo has been promoting measures to prevent a recurrence by further strengthening compliance as well as improving and strengthening the operation of the internal control system.

5. From July 2019, JAPAN POST INSURANCE Co., Ltd., where he serves as an outside director from June 2016 to June 2018, investigated all its insurance policies, including cancelled or expired contracts for the past five years. It was found that there were cases involving a contract transfer, etc. that could have had a negative impact and did not accord with the company's customers' intentions. On December 27, 2019, JAPAN POST INSURANCE Co., Ltd. received an order from the Financial Services Agency to suspend its business operations under the Insurance Business Act and an order to improve its business operations. While Mr. Endo was not aware of the facts in this matter during his tenure, he always made recommendations in his role at JAPAN POST INSURANCE Co., Ltd., from the standpoint of legal compliance in order to ensure a thorough awareness of compliance.

No	Name (Date of birth) (Gender)	Brief personal history, position, responsibilities and major concurrent posts	Number of the Company's shares held
11.	Shinya Katanozaka (July 4, 1955) (Male) <u>For new appointment</u> <u>Independent</u>	<p>April 1979 Joined ALL NIPPON AIRWAYS CO., LTD.</p> <p>April 2007 Corporate Executive Officer of ALL NIPPON AIRWAYS CO., LTD.</p> <p>April 2009 Corporate Executive Officer (joseki shikkoyakuin) of ALL NIPPON AIRWAYS CO., LTD.</p> <p>June 2009 Member of the Board of Directors and Executive Vice President of ALL NIPPON AIRWAYS CO., LTD.</p> <p>June 2011 Executive Vice President (jomu torishimariyaku); Corporate Executive Officer of ALL NIPPON AIRWAYS CO., LTD.</p> <p>April 2012 Executive Vice President (senmu torishimariyaku); Corporate Executive Officer of ALL NIPPON AIRWAYS CO., LTD.</p> <p>April 2013 Senior Executive Vice President, Representative Director of ANA HOLDINGS INC.</p> <p>April 2015 President & Chief Executive Officer, Representative Director of ANA HOLDINGS INC. (to present)</p> <p>April 2015 Director of ALL NIPPON AIRWAYS CO., LTD.</p> <p>April 2017 Chairman of ALL NIPPON AIRWAYS CO., LTD. (to present)</p> <p>(Major concurrent posts) President & Chief Executive Officer, Representative Director of ANA HOLDINGS INC. Chairman of ALL NIPPON AIRWAYS CO., LTD. Vice Chairman of Japan Business Federation (Keidanren)</p>	-

(Reason for nomination of candidate for outside director)

Mr. Shinya Katanozaka is a candidate for outside director. The reason for proposing him as a candidate for outside director is that he is expected to fulfill his supervisory functions and provide valuable advice to the Board based on his insight as a specialist in business management acquired through many years of experience in a management role.

(Independence)

1. Mr. Shinya Katanozaka satisfies the requirements for “independent director/auditor” as specified by the Tokyo Stock Exchange, Inc.
2. He fulfills the Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members set by the Company, which are provided on page 28 of these reference materials.
3. He concurrently serves as President & Chief Executive Officer, Representative Director of ANA HOLDINGS INC., which has no business transactions with the Company. Insurance subsidiaries of the Company conduct insurance-related transactions with ANA HOLDINGS INC.; however, these transactions constitute less than 1 percent of its consolidated net sales and the Company’s consolidated ordinary income (which corresponds to consolidated net sales), respectively.

Notes: 1. There are no special relationships of interest between the Company and Mr. Shinya Katanozaka.

2. In accordance with the provisions of Article 427, paragraph 1 of the Companies Act of Japan, the Company intends to enter into an agreement with him to limit his liability provided for in Article 423, paragraph 1 of the Companies Act of Japan, if he is elected as proposed. The limitation of liability under the agreement shall be the higher of either 10 million yen or the amount provided in Article 425, paragraph 1 of the Companies Act of Japan.

3. All Nippon Airways Co., Ltd., where he serves as a chairman, recurred an inappropriate situation in which the captain drank alcohol, which hindered his flight work on November 7, 2019, despite receiving administrative guidance due to the flight crews’ alcohol-related inappropriate issues. On May 1, 2020, All Nippon Airways Co., Ltd. received administrative order from the Ministry of Land, Infrastructure, Transport and Tourism to improve its business, recognizing that there are the facts of obstructing safety transportation, convenient service for users, and other public interests. Regarding the inappropriate situation, he has been developing initiatives for the reform of group employees’ mindset and reinforcement and support of self-management of group employees, such as implementation of education programs on alcohol and consultations, in addition to making flight rule more severe and strengthening alcohol testing system, etc. After recognizing the facts of the case, he has been promoting initiatives to ensure more thorough compliance, such as instilling measures to date and making implementation more thorough, as well as instructing development of further measures to prevent recurrence of these issues.

No.	Name (Date of birth) (Gender)	Brief personal history, position, responsibilities and major concurrent posts	Number of the Company's shares held
12.	Tadashi Handa (August 3, 1960) (Male) <u>For new appointment</u>	<p>April 1984 Joined Tokio Marine</p> <p>April 2015 Executive Officer and General Manager of Corporate Planning Dept. of Tokio Marine & Nichido</p> <p>April 2017 Executive Officer of Tokio Marine & Nichido</p> <p>June 2017 Resigned from position as Executive Officer of Tokio Marine & Nichido</p> <p>June 2017 Managing Executive Officer of Tokio Marine Holdings</p> <p>June 2018 Managing Executive Officer of Tokio Marine & Nichido</p> <p>April 2020 Senior Managing Executive Officer of Tokio Marine Holdings (to present)</p> <p>April 2020 Senior Managing Director of Tokio Marine & Nichido (to present)</p> <p>(Responsibilities) Group CSSO (Group Chief Strategy and Synergy Officer)</p> <p>(Major concurrent posts) Senior Managing Director of Tokio Marine & Nichido</p>	7,700 shares

(Reason for nomination of candidate for director)

The reason for proposing Mr. Tadashi Handa as a candidate for director is that he is expected to fulfill his role adequately in deciding important matters regarding business execution and in supervising the execution of duties by other directors as a member of the Board, based on his wealth of experience and results he has achieved since joining Tokio Marine. This includes his engagement with respect to domestic insurance underwriting, product development and corporate planning, and his current role as head of business strategy and synergy of the Group as Senior Managing Executive Officer of the Company.

Note: There are no special relationships of interest between the Company and Mr. Tadashi Handa.

No.	Name (Date of birth) (Gender)	Brief personal history, position, responsibilities and major concurrent posts	Number of the Company's shares held
13.	Yoshinari Endo (July 30, 1963) (Male) <u>For new appointment</u>	<p>April 1987 Joined Tokio Marine</p> <p>April 2017 Managing Director of Tokio Marine & Nichido Life</p> <p>March 2018 Resigned from position as Managing Director of Tokio Marine & Nichido Life</p> <p>April 2018 Executive Officer and General Manager of Financial Planning Dept. of Tokio Marine Holdings</p> <p>April 2018 Executive Officer and General Manager of Financial Planning Dept. of Tokio Marine & Nichido</p> <p>April 2020 Managing Executive Officer of Tokio Marine Holdings (to present)</p> <p>April 2020 Managing Executive Officer of Tokio Marine & Nichido (to present)</p> <p>(Major concurrent posts) Managing Executive Officer of Tokio Marine & Nichido</p>	7,600 shares

(Reason for nomination of candidate for director)

The reason for proposing Mr. Yoshinari Endo as a candidate for director is that he is expected to fulfill his role adequately in deciding important matters regarding business execution and in supervising the execution of duties by other directors as a member of the Board, based on his wealth of experience and results he has achieved since joining Tokio Marine. This includes his engagement with respect to corporate accounting, domestic life insurance businesses, and his leadership role in financial planning of the Group as Executive Officer and General Manager of Financial Planning Dept. of Tokio Marine & Nichido and the Company.

- Notes: 1. There are no special relationships of interest between the Company and Mr. Yoshinari Endo.
2. He is expected to assume the position of Managing Director of Tokio Marine & Nichido on the date of the ordinary general meeting of shareholders of Tokio Marine & Nichido scheduled for June 2020.

Item 3. Election of One (1) Audit & Supervisory Board Member

Audit & supervisory board member Mr. Takashi Ito will resign at the close of this Meeting. For the next term, the Company proposes the election of one (1) audit & supervisory board member.

The submission of this item has been approved by the Audit & Supervisory Board.

The candidate for audit & supervisory board member is as follows:

Name (Date of birth) (Gender)	Brief personal history and position		Number of the Company's shares held	
Hirokazu Fujita (May 12, 1956) (Male) <u>For new appointment</u>	April	1980	Joined Tokio Marine	18,650 shares
	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 of Tokio Marine & Nichido	
	June	2012	Managing Director of Tokio Marine Holdings	
	April	2017	Senior Managing Director of Tokio Marine Holdings (to present)	
	April	2017	Senior Managing Director of Tokio Marine & Nichido (to present)	

(Reason for nomination of candidate for audit & supervisory board member)

The reason for proposing Mr. Hirokazu Fujita as a candidate for audit & supervisory board member is that he is expected to fulfill his audit functions based on his wealth of experience and results he has achieved since joining Tokio Marine. This includes his engagement with respect to accounting, his terms in office as Executive Officer of Tokio Marine & Nichido and the Company in charge of accounting and financial planning, and his current role as head of investment management of the Group as Senior Managing Director of the Company.

Notes: 1. There are no special relationships of interest between the Company and Mr. Hirokazu Fujita.

2. He is expected to resign from his position as Senior Managing Director of Tokio Marine & Nichido on the date of the ordinary general meeting of shareholders of Tokio Marine & Nichido scheduled for June 2020. He is also expected to resign from his position as Senior Managing Director of the Company at the close of this Meeting.

(Reference) Skills and experiences of Directors and Audit & Supervisory Board Members after this meeting

Name	Gender	Position and major responsibilities at the close of this Meeting		Skills and experiences								
				Corporate Management	Finance & Economy	Accounting	Legal & Compliance	Human resource	Governance & Risk Management	Technology	Internationality	Insurance business
Tsuyoshi Nagano	Male	Chairman of the Board		✓	✓						✓	✓
Satoru Komiya	Male	President & Chief Executive Officer	Group CEO (Group Chief Executive Officer) Group CCO (Group Chief Culture Officer)	✓	✓			✓			✓	✓
Takayuki Yuasa	Male	Executive Vice President	Group CFO (Group Chief Financial Officer)	✓	✓	✓	✓		✓			✓
Akira Harashima	Male	Senior Managing Director	Head of International Business Co-Head of International Business	✓							✓	✓
Tadashi Handa	Male	Senior Managing Director	Group CIO (Group Chief Investment Officer)		✓			✓				✓
Kenji Okada	Male	Managing Director	Group CLCO (Group Chief Legal and Compliance Officer) Group CRO (Group Chief Risk Officer)		✓	✓			✓		✓	✓
Yoshinari Endo	Male	Managing Director	Group CIO (Group Chief Investment Officer)		✓	✓					✓	✓
Shinichi Hirose	Male	Director		✓	✓			✓				✓
Akio Mimura	Male	Outside Director		✓	✓				✓		✓	
Masako Egawa	Female	Outside Director			✓	✓			✓		✓	
Takashi Mitachi	Male	Outside Director		✓	✓	✓			✓	✓	✓	
Nobuhiro Endo	Male	Outside Director		✓	✓				✓	✓		
Shinya Katanozaka	Male	Outside Director		✓	✓			✓	✓		✓	
Shozo Mori	Male	Audit & Supervisory Board Member(full-time)							✓			✓
Hirokazu Fujita	Male	Audit & Supervisory Board Member(full-time)			✓	✓			✓		✓	✓
Akinari Horii	Male	Audit & Supervisory Board Member			✓	✓			✓		✓	
Akihiro Wani	Male	Audit & Supervisory Board Member			✓	✓	✓		✓		✓	
Nana Otsuki	Female	Audit & Supervisory Board Member			✓	✓			✓		✓	

Reference

Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members

Exhibit

(Article 18 of Tokio Marine Holdings Fundamental Corporate Governance Policy)

Outside Directors and Outside Audit & Supervisory Board Members of the Company are judged to be independent from the Company if they do not fall within any of the following categories:

- (i) an executive of the Company or a subsidiary or affiliate of the Company;
- (ii) a person who has been an executive of the Company or a subsidiary or an affiliate of the Company in the past ten years;
- (iii) a party whose major client or supplier is the Company or a principal business subsidiary of the Company (a party whose transactions with the Company or a principal business subsidiary of the Company in the most recent fiscal year amount to 2% or more of its consolidated net sales), or an executive thereof;
- (iv) a party who is a major client or supplier of the Company or a principal business subsidiary of the Company (a party whose transactions with the Company or a principal business subsidiary of the Company in the most recent fiscal year amount to 2% or more of consolidated ordinary income of the Company), or an executive thereof;
- (v) a financial institution or other major creditor which the Company or a principal business subsidiary of the Company relies on to the extent that it is an indispensable funding source that cannot be replaced, or an executive thereof;
- (vi) an executive of a corporation or an association or any other organization that receives donations from the Company or a principal business subsidiary of the Company in excess of a certain amount in the most recent fiscal year (10 million yen or 2% of the total revenue of such organization in the most recent fiscal year, whichever is larger);
- (vii) a spouse or relative within the third degree of kinship of a Director, Audit & Supervisory Board Member, or Executive Officer of the Company or a subsidiary or an affiliate of the Company;
- (viii) a consultant, accountant, lawyer, or other specialist who receives compensation from the Company or a principal business subsidiary of the Company other than compensation for Directors, Audit & Supervisory Board Members and Executive Officers of the Company or a principal business subsidiary of the Company in excess of a certain amount in the most recent fiscal year (10 million yen or 2% of the total revenue of a corporation or association or any other organization to which such specialist belongs in the most recent fiscal year, whichever is larger); or
- (ix) a party who holds 10% or more of the voting rights of all shareholders of the Company at the end of the most recent fiscal year, or an executive thereof.

TOKIO MARINE HOLDINGS, INC.

**Attachment to the “Notice of Convocation of
the 18th Ordinary General Meeting of Shareholders”**

Business Report for Fiscal Year 2019

(From April 1, 2019 to March 31, 2020)

1. Matters Concerning the Insurance Holding Company

(1) Business Developments and Results for Tokio Marine Group

- During fiscal year 2019, despite some positive signs such as a lull in trade frictions between the U.S. and China in the second half, the world economy slowed dramatically towards the end of the fiscal year due to the global spread of coronavirus disease 2019 (COVID-19), and financial and capital markets became increasingly unstable. In Japan, the economy experienced a significant downturn due to the spread of COVID-19, in addition to weak foreign demand and natural disasters.
- The spread of COVID-19 also had an impact on business operations. The Tokio Marine Group established a task force led by the Group CEO, and has engaged in a group-wide response to ensure business continuity and prevent the spread of infection. In the context of restraints on commuting and other transfer, the Group has strived to conduct operations in a way that minimized the impact on business, by actively utilizing the various infrastructure prepared beforehand to work from home by many of the Group’s employees.
- The Group actively promoted its business, aiming to achieve the goals of the medium-term business plan “To Be a Good Company 2020”, under the aligned group management structure headed by the Group CEO, in which the Group Chief Officers are responsible for each function for the Group.
- As to the consolidated fiscal year end, same as previous fiscal year, due to the frequent occasion of natural disasters in Japan such as Typhoons Hagibis (No.19), we replenished the reserves which will be used for insurance payment in future. As a result, net income attributable to owners of the parent was 259.7 billion yen, a decrease of 14.8 billion yen compared to the previous fiscal year.

	Fiscal year 2018 (Yen in billions)	Fiscal year 2019 (this fiscal year) (Yen in billions)	Rate of change (%)
Ordinary income	5,476.7	5,465.4	△0.2
Net premiums written	3,587.4	3,598.3	0.3
Life insurance Premiums	1,053.5	981.9	△6.8
Ordinary profit	416.3	363.9	△12.6
Net income attributable	274.5	259.7	△5.4

to owners of the parent			
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Ordinary income and ordinary profit for each business segment are as follows:

(Yen in billions)

Business segment	Ordinary income		Ordinary profit	
	Fiscal year 2018	Fiscal year 2019 (this fiscal year)	Fiscal year 2018	Fiscal year 2019 (this fiscal year)
Domestic property and casualty insurance	2,847.1	2,782.5	228.3	179.5
Domestic life insurance	779.3	748.1	40.2	51.8
Overseas insurance	1,972.0	1,891.2	141.6	125.4
Financial and other	92.1	95.6	6.0	7.0

Domestic Property and Casualty Insurance Business

Net premiums written: 2,427.8 billion yen Ordinary profit: 179.5 billion yen

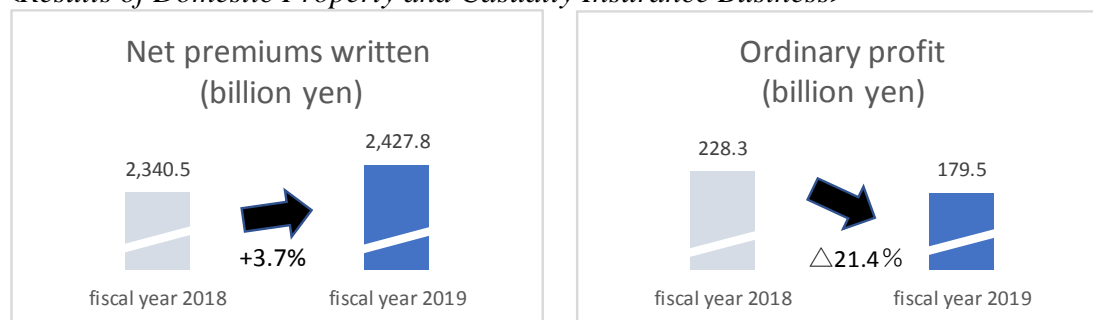
Composition ratio of premiums written: 53.0%

- Tokio Marine & Nichido actively promoted its business, working on priority issues such as enhancement of customer convenience and efficiency of internal operations through use of technologies and changes to the insurance product portfolio, as well as endeavoring to expand customer support through measures such as assistance for regional development, and health and productivity management of corporate clients.
- During the fiscal year 2019, a series of natural disasters, including Typhoons Faxai (No. 15) and Hagibis (No.19), caused massive damage across Japan. Tokio Marine & Nichido established a task force under the direct control of the President, and worked on disaster response on a company-wide basis through such efforts as dispatching staff from our locations nationwide to affected areas. Considering the frequent occurrence of natural disasters, we also implemented initiatives across all our branches to protect our customers through insurance in times of crisis, such as engaging in more careful reconfirmation of contract details and proposing expanded coverage. In addition, we decided to sell a new product to respond to the immediate funding needs of customers struck by an earthquake, by paying prescribed amounts of insurance claims, dependent on the earthquake intensity, in three days at shortest after an earthquake exceeding a prespecified intensity is recorded in the customer's region of residence.
- We progressively leveraged technology across a range of fields. In the case of flooding due to Typhoon Hagibis (No. 19) etc., for example, we used AI to analyze satellite images, allowing us to swiftly pinpoint the damaged areas that would be subject to insurance claims. In addition, we also developed a new system utilizing AI to recreate the circumstances of accidents from images captured by drive recorders, a joint development project with ALBERT, which has expertise in big data analytics and AI

algorithm development. This system reduces the burden on customers to explain the circumstances of accidents, and contributes to swift accident response.

- From the perspective of promoting changes to the insurance product portfolio, we strived to develop and provide insurance to respond to new risks, such as cyber risk insurance and domestic M&A insurance (representations and warranties insurance). We also collaborated with chambers of commerce and industry across Japan, actively to propose the insurance which comprehensively covers the business risks to small and medium-sized companies.

<Results of Domestic Property and Casualty Insurance Business>



Domestic Life Insurance Business

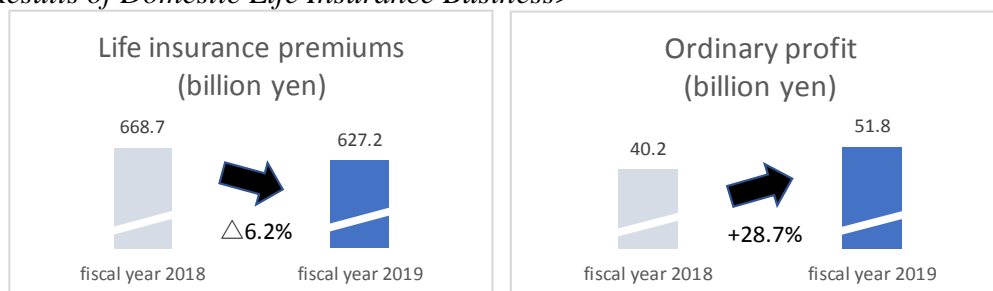
Life insurance premiums: 627.2 billion yen

Ordinary profit: 51.8 billion yen

Composition ratio of premiums written: 13.7%

- Tokio Marine & Nichido Life continued to promote the “Life Insurance Revolution to Protect One’s Living” initiative, which provides coverage in fields such as inability to work and nursing care, while utilizing the key strength of the Group’s business model, integrating life insurance and property and casualty insurance. In view of recent progress in cancer genome medicine and other therapeutic techniques, we developed and sold a rider by which a person may receive a prepayment equivalent to his/her life insurance payout if diagnosed with severe cancer of stage III or above, to provide for high medical costs. Our ‘Market Link’ installment variable annuities, which responds to customers’ asset accumulation needs, continued to be well received in fiscal year 2019.
- We made efforts to appropriately control interest rate risk under the assumption that low interest rates will persist over the long-term. In addition to endeavoring to expand our range of protection-type products with low interest rate risk, we continued to conduct asset management based on Asset Liability Management (ALM).

<Results of Domestic Life Insurance Business>



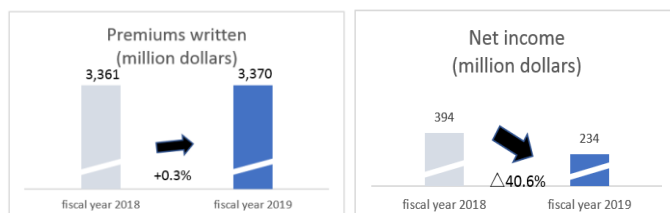
Overseas Insurance Business

Premiums written: 1,525.3 billion yen Ordinary profit: 125.4 billion yen

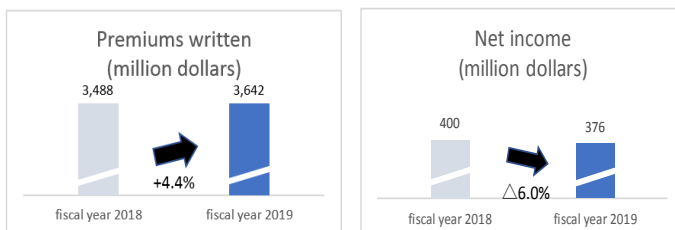
Composition ratio of premiums written: 33.3%

- The Group has actively expanded business in developed countries and emerging countries in a balanced manner working on both sustainable organic growth and strategic M&As with the aim of achieving global growth and diversified portfolio construction for the entire Group. In addition, by mutual leveraging of the excellent know-how held by Group companies, the Group has continued to implement a wide range of efforts toward the realization of synergies such as increasing premium income, advancing investment management, raising business efficiency and other measures.
- We acquired Pure, which provides insurance products and services to affluent customers in the U.S. Not only does this company provide high expected growth into the future, but has little overlap with the Group's existing businesses, thus contributing to portfolio diversification.
- Tokio Marine Seguradora S.A. in Brazil reached an agreement with a major state-owned banking group in Brazil, regarding the establishment of a joint venture specializing in insurance for residential loans. Through this initiative, we will pursue diversification of our insurance product portfolio in Brazil, currently centered on automobile insurance, and expand profitability.
- In Myanmar, we established a property and casualty insurance joint venture under the approval of the Myanmar insurance authorities, and began operations. We aim for full-scale entry into the Myanmar property and casualty insurance market, which is predicted to experience high growth over the mid-to-long-term.

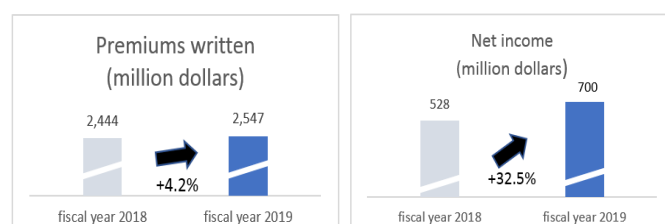
■ Philadelphia



■ HCC



■ Delphi



Financial and Other Business

Ordinary income: 95.6 billion yen

Ordinary profit: 7.0 billion yen

- The Group developed its financial services steadily with a focus on its asset management business, which offers a stable revenue base. Such business includes the management of pension funds and the management of investment trusts, and has been highly evaluated by customers.
- With respect to other general businesses, the Group continued to engage in temporary staffing services, property management services and other businesses.

Contributing to a Sustainable Society

- The Tokio Marine Group has contributed to the advancement of society by providing safety and security utilizing the knowledge and experience gained over many years in the insurance business. With the aim of becoming a “Good Company” trusted by all people and society, we will permanently increase the Group’s corporate value by undertaking initiatives to resolve social issues and contributing to the creation of a safe, secure, and sustainable future.
- In fiscal year 2019, we celebrated 20 years of mangrove planting activities in 9 countries in the Asia-Pacific region, in collaboration with tree-planting NGOs, etc. Initiatives such as these have been highly evaluated from outside the Group as well, and we received a “Special Award” in the Sustainable Finance Awards held by the Research Institute for Environmental Finance. The Tokio Marine Group achieved carbon-neutral status for 6 consecutive years to fiscal year 2018, and we aim to continue this achievement from fiscal year 2019.
- We have been conducting a series of educational “Disaster Prevention Lessons” since 2012, on topics including earthquakes and tsunamis. In fiscal year 2019, in view of the occurrence of natural disasters in recent years, we added the topics of flooding and landslide disasters. More than 100,000 children have attended these “Disaster Prevention Lessons” and our “Green Lessons”, which cover the theme of global environmental protection.

Issues Facing the Group

- In fiscal year 2020, the economic situation in the world and in Japan, is expected to remain harsh for a while due to the impact of the spread of COVID-19, despite each country’s assiduous efforts to use monetary easing and fiscal policy to support the economy.
- The Tokio Marine Group will continue to work on “further diversification of portfolio”, “strengthening of aligned Group management” and “fully leveraging technology” while gazing at the impact of the spread of COVID-19 and post-convergence social and market conditions, the three priority issues in the medium-term business plan “To Be a Good Company 2020”, reaching its final year.

- In our domestic property and casualty insurance business, while impact of natural disasters on economics and people’s lives is getting more serious, it is an urgent matter for the Group to contribute to solution of the issue. The Group will earnestly engage in solving these issues with reviewing the content of our property insurance products in order to continue to provide stable coverage under these conditions, leveraging technology to facilitate the prompt payment of insurance claims, and the dissemination of disaster prevention and mitigation information actively. In addition, we will also continue to engage in changes to our insurance product portfolio and utilize technology to enhance customer convenience and internal operational efficiency.
- In the domestic life insurance business, we will continue to promote the “Life Insurance Revolution to Protect One’s Living” initiative, which provides coverage in fields such as inability to work and nursing care, and make efforts to appropriately control interest rate risk. In addition, we will proceed with an initiative to develop innovative products and services by anticipating environmental changes such as the advances in medical technology and analyzing medical data in collaboration with an external research institute..
- The business model that integrates life insurance and property and casualty insurance, maximizing the Group’s comprehensive capability through a close collaboration between them, is a key strength of the Tokio Marine Group, and we will strive to further evolve this business model.
- In the overseas insurance business, we will continue to work on both sustainable organic growth and strategic M&As to achieve balanced growth in developed countries and emerging countries. We will also continue to engage in pursuing synergies that leverage the expertise of each Group company.
- Regarding asset management, we will continue to strive to strengthen our global asset management approach based on Asset Liability Management (ALM), in collaboration with Group companies in Japan and overseas. In addition, we will endeavor to secure long-term, stable investment income and maintain a sound financial base by diversifying our asset portfolio as well as risks, while closely monitoring changes in the world economy and financial markets, including the impact of the spread of COVID-19.
- What underpins each of these initiatives is human resources. In fiscal year 2019, we introduced a new personnel system with the aim of securing and recruiting human resources capable of displaying high-level expertise and management capabilities in a global context. We will continue to promote this initiative, and proceed with further strengthening aligned group management. We will actively work to globally leverage the Group’s human resources, including our overseas staff, and promote more active participation by female employees. In this way, we will use the expansion of diversity to drive the Group’s growth.
- The Group’s basic policy for shareholder returns is to distribute profit by payment of dividends and we will seek to increase dividends through sustained growth and improved profitability.
- Under our management philosophy to place “customer trust at the base of all its activities”, the entire Group will endeavor to achieve further growth as a corporate group, seeking development characterized by high profitability and sustainability based on soundness. We plan on building up a “Good Company” that is trusted widely by customers and the society. We would like to express our sincere appreciation to all shareholders of Tokio Marine Holdings for their continued guidance and support.

- Notes:
1. Throughout this Business Report, all amounts (including numbers of shares) are truncated and all ratios are rounded to one decimal place (hereinafter the same shall apply in the financial statement below).
 2. Numbers that appear as ordinary income and ordinary profit for each business segment are shown after adjustments necessary to accurately reflect the actual situation, such as the exclusion of dividend income from group companies, which is recorded in the non-consolidated financial results of each subsidiary. Ordinary income and ordinary profit in our consolidated statement of income are after making adjustments among account items for the total figures for each business segment.
 3. "Premiums written" is the total of net premiums written and life insurance premiums.
 4. The results of major overseas subsidiaries are shown on a local accounting basis.

(2) Four Year Summary of Assets and Earnings of the Group and the Insurance Holding Company

a. The Group's summary of assets and earnings

(Yen in millions)
(Fiscal year)

	2016	2017	2018	2019
Ordinary income	5,232,602	5,399,115	5,476,720	5,465,432
Ordinary profit	387,659	344,939	416,330	363,945
Net income attributable to owners of the parent	273,856	284,183	274,579	259,763
Comprehensive income	169,603	500,528	42,871	2,737
Net assets	3,569,760	3,835,536	3,603,741	3,426,675
Total assets	22,607,603	22,929,935	22,531,402	25,253,966

Note: Major reason for decrease of comprehensive income in this fiscal year was decrease of unrealized gains on securities due to fluctuations in share price in Japan.

b. The Insurance Holding Company's summary of assets and earnings

(Yen in millions, except per share amounts)
(Fiscal year)

	2016	2017	2018	2019
Operating income	84,702	227,510	299,837	207,867
Dividends received	74,160	214,446	280,386	183,163
Insurance subsidiary companies, etc.	68,994	211,789	277,624	180,386
Other subsidiary companies, etc.	5,166	2,657	2,762	2,776
Net income	68,666	203,486	278,374	185,892
Net income per share of common share	91.15 yen	274.12 yen	388.30 yen	264.59 Yen
Total assets	2,436,616	2,401,883	2,409,066	2,389,910
Share of insurance subsidiary companies, etc.	2,329,195	2,308,610	2,313,910	2,316,646
Share of other subsidiary companies, etc.	74,202	24,910	21,963	19,317

(3) The Group's Principal Offices (As of March 31, 2020)

a. The Company

	Location	Established as of
Head Office	2-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan	April 2, 2002

Note: The date shown above is the date of incorporation.

b. Subsidiary companies, etc.

Business segment	Company name	Office name	Location	Established as of	
Domestic property and casualty insurance	Tokio Marine & Nichido	Head Office	2-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan	March 20, 1944	
		Hokkaido			Hokkaido Branch and 6 other branches
		Tohoku			Sendai Branch and 9 other branches
		Kanto			Tokyo Central Branch and 32 other branches

		Tokai and Hokuriku	Aichi South Branch and 26 other branches	
		Kansai	Osaka South Branch and 24 other branches	
		Chugoku and Shikoku	Hiroshima Branch and 14 other branches	
		Kyushu	Fukuoka Central Branch and 13 other branches	
	Nisshin Fire & Marine	Head Office (Tokyo Head Office), Saitama Head Office		3, Kandasurugadai 2-chome, Chiyoda-ku, Tokyo, Japan June 10, 1908
Domestic life insurance	Tokio Marine & Nichido Life	Head Office		2-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan August 6, 1996
Overseas insurance	Philadelphia Consolidated Holding Corp.	Head Office		Bala Cynwyd, Pennsylvania, U.S.A. July 6, 1981
	Delphi Financial Group, Inc.	Head Office		Wilmington, Delaware, U.S.A. May 27, 1987
	HCC Insurance Holdings, Inc.	Head Office		Wilmington, Delaware, U.S.A. March 27, 1991
	Privilege Underwriters, Inc.	Head Office		Wilmington, Delaware, U.S.A. January 5, 2006
	Tokio Marine Kiln Group Limited	Head Office		London, U.K. July 11, 1994
Financial and other	Tokio Marine Asset Management Co., Ltd.	Head Office		8-2, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan December 9, 1985

Notes: 1. This table sets forth major subsidiary companies, etc.

2. "Office name" is the name of the principal office.

3. "Location" is the location of the head office.

4. The dates shown above are the date of incorporation.

(4) The Group's Employees

Business segment	As of March 31, 2019	As of March 31, 2020	Increase/Decrease
Domestic property and	20,465	20,397	△68

casualty insurance			
Domestic life insurance	2,240	2,258	18
Overseas insurance	15,557	15,814	257
Financial and other	2,586	2,632	46
Total	40,848	41,101	253

(5) The Group's Principal Lenders (As of March 31, 2020)

Business segment	Company name	Lender	Balance of loan
Domestic property and casualty insurance	Tokio Marine & Nichido	Syndicated loan	261,192 million yen

Note: The arranger of the syndicated loan is The MUFG Bank, Ltd.

(6) The Group's Financing Activities

The Company purchased Privilege Underwriters, Inc., through HCC Insurance Holdings, Inc. Tokio Marine & Nichido raised 200,000 million yen through issuing a first series of domestic subordinated unsecured bonds with interest deferral option and early redemption option on December 24, 2019 in order to partially finance the acquisition of Pure.

(7) The Group's Capital Investment Activities

a. Total investment in facilities

Business segment	Amount (Yen in millions)
Domestic property and casualty insurance	21,525
Domestic life insurance	445
Overseas insurance	23,458
Financial and other	682
Total	46,111

Notes: 1. "Amount" means the aggregate amount of investment in facilities for this fiscal year.

2. Yen amounts include certain capital expenditures in other currencies which were converted into yen based on exchange rates as of the end of December 2019.

b. New construction of major facilities and other

None.

(8) Parent Company and Major Subsidiary Companies, etc. (As of March 31, 2020)

a. Parent company

None.

b. Major subsidiary companies, etc.

Company name	Location	Major business	Date of incorporation	Paid-in capital (Yen in millions)	Ratio of Tokio Marine Holdings' voting rights	Notes
Tokio Marine & Nichido Fire Insurance Co., Ltd.	Tokyo, Japan	Property and casualty insurance	Mar. 20, 1944	101,994	100.0%	-

Nisshin Fire & Marine Insurance Co., Ltd.	Tokyo, Japan	Property and casualty insurance	June 10, 1908	20,389	100.0%	-
E.design Insurance Co., Ltd.	Tokyo, Japan	Property and casualty insurance	Jan. 26, 2009	29,303	95.2%	-
Tokio Marine & Nichido Life Insurance Co., Ltd.	Tokyo, Japan	Life insurance	Aug. 6, 1996	55,000	100.0%	-
Tokio Marine Millea SAST Insurance Co., Ltd.	Yokohama, Japan	Small-amount short-term insurance	Sep. 1, 2003	895	100.0%	-
Tokio Marine Asset Management Co., Ltd.	Tokyo, Japan	Investment management and Investment trusts	Dec. 9, 1985	2,000	100.0%	-
Tokio Marine North America, Inc.	Wilmington, Delaware, U.S.A	Holding company	June 29, 2011	0	100.0% (100.0)	-
Philadelphia Consolidated Holding Corp.	Bala Cynwyd, Pennsylvania, U.S.A.	Holding company	July 6, 1981	0	100.0% (100.0)	-
Philadelphia Indemnity Insurance Company	Bala Cynwyd, Pennsylvania, U.S.A.	Property and casualty insurance	Feb. 4, 1927	489	100.0% (100.0)	-
First Insurance Company of Hawaii, Ltd.	Honolulu, Hawaii, U.S.A.	Property and casualty insurance	Aug. 6, 1982	465	100.0% (100.0)	-
Tokio Marine America Insurance Company	New York, New York, U.S.A.	Property and casualty insurance	Aug. 13, 1998	544	100.0% (100.0)	-
Delphi Financial Group, Inc.	Wilmington, Delaware, U.S.A.	Holding company	May 27, 1987	0	100.0% (100.0)	-
Safety National Casualty Corporation	St. Louis, Missouri, U.S.A.	Property and casualty insurance	Nov. 28, 1942	3,264	100.0% (100.0)	-
Reliance Standard Life Insurance Company	Schaumburg, Illinois, U.S.A.	Life insurance	Apr. 2, 1907	6,094	100.0% (100.0)	-

Reliance Standard Life Insurance Company of Texas	Houston, Texas, U.S.A.	Life insurance	Aug. 16, 1983	76	100.0% (100.0)	-
HCC Insurance Holdings, Inc.	Wilmington, Delaware, U.S.A.	Holding company	Mar. 27, 1991	0	100.0% (100.0)	-
Houston Casualty Company	Dallas, Texas, U.S.A.	Property and casualty insurance	May 27, 1981	544	100.0% (100.0)	-
U.S. Specialty Insurance Company	Dallas, Texas, U.S.A.	Property and casualty insurance	Oct. 28, 1986	457	100.0% (100.0)	-
HCC Life Insurance Company	Indianapolis, Indiana, U.S.A.	Life insurance	Dec. 3, 1980	272	100.0% (100.0)	-
Privilge Underwriters, Inc.	Wilmington, Delaware, U.S.A.	Holding company	Jan 5, 2006	0	100.0% (100.0)	-
Tokio Marine Kiln Group Limited	London, U.K.	Holding company	July 11, 1994	134	100.0% (100.0)	-
Tokio Marine Underwriting Limited	London, U.K.	Property and casualty insurance	Oct. 27, 2008	0	100.0% (100.0)	-
HCC International Insurance Company PLC	London, U.K.	Property and casualty insurance	July 22, 1981	20,444	100.0% (100.0)	-
Tokio Marine Asia Pte. Ltd.	Singapore, Singapore	Holding company	Mar. 12, 1992	127,597	100.0% (100.0)	-
Tokio Marine Insurance Singapore Ltd.	Singapore, Singapore	Property and casualty insurance	July 11, 1923	7,637	100.0% (100.0)	-
Tokio Marine Life Insurance Singapore Ltd.	Singapore, Singapore	Life insurance	May 21, 1948	2,749	85.7% (85.7)	-
Tokio Marine Insurans (Malaysia) Berhad	Kuala Lumpur, Malaysia	Property and casualty insurance	Apr. 28, 1999	10,174	100.0% (100.0)	-
Tokio Marine Life Insurance Malaysia Bhd.	Kuala Lumpur, Malaysia	Life insurance	Feb. 11, 1998	5,699	100.0% (100.0)	-

IFFCO-Tokio General Insurance Co. Ltd.	New Delhi, India	Property and casualty insurance	Sep. 8, 2000	3,961	49.0% (49.0)	-
Edelweiss Tokio Life Insurance Company Limited	Mumbai, India	Life insurance	Nov. 25, 2009	4,516	49.0% (49.0)	-
Tokio Marine Safety Insurance (Thailand) Public Company Limited	Bangkok, Thailand	Property and casualty insurance	Feb. 3, 2020	13,683	99.3% (99.3)	-
Tokio Marine Seguradora S.A.	Sao Paulo, Brazil	Property and casualty insurance	June 23, 1937	20,176	97.8% (97.8)	-
Hollard Holdings Proprietary Limited	Johannesburg, South Africa	Holding company	Mar. 30, 1972	0	22.5% (22.5)	-
Hollard International Proprietary Limited	Johannesburg, South Africa	Holding company	Apr. 20, 2015	25,339	22.5% (22.5)	-

Notes: 1. This table sets forth major subsidiary companies, etc.

2. Privilege Underwriters, Inc. is included in the table since it became a subsidiary, etc. of the Company as of February 7, 2020.

3. Tokio Marine Safety Insurance (Thailand) Public Company Limited is included in the table as it became a subsidiary, etc. of the Company as of February 3, 2020 due to merger between Safety Insurance (Thailand) Public Company Limited and the other subsidiary, etc. of the Company.

4. Safety Insurance (Thailand) Public Company Limited is not shown in the table due to since it ceased to be a subsidiary company, etc. due to dissolution in connection with above merger.

5. With regard to the amounts of capital of the company that holds capital in foreign currency, the amounts of capital shown above have been converted to yen based on the currency exchange rate on the closing date of the fiscal year of the Company.

6. Figures in brackets shown under the Company's voting rights reflect the ratio of voting rights indirectly held by the Company.

(9) The Group's acquisition and transfer of business

Date of transactions	Outline of transactions
February 7, 2020	<p>HCC Insurance Holdings, Inc. acquired 100% of the outstanding shares of Privilege Underwriters, Inc., which operates insurance business specializing in the U.S. high net worth market, from existing shareholders. The acquisition price was approximately 3.1 billion dollars.</p> <p>The outline of the target company and the purpose of share acquisition is as follows.</p> <ul style="list-style-type: none"> - Outline of the target company Company name: Privilege Underwriters, Inc. Location: Wilmington, Delaware, U.S.A. Business: Holding company for a management company and an insurance company, etc. - Purpose of the share acquisition The acquisition will allow the Group to further expand our international business in both scale and profit, and improve the capital efficiency of the Group as a whole and achieve sustainable profit

growth by building a further diversified business portfolio.
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(10) Other Important Matters Concerning the Current State of the Group

None.

2. Matters Concerning Directors and Audit & Supervisory Board Members

(1) Directors and Audit & Supervisory Board Members (As of March 31, 2020)

Name	Position and responsibilities	Major concurrent posts
Tsuyoshi Nagano	Chairman of the Board	Director (Outside Director) of Seiko Holdings Corporation
Satoru Komiya	Representative Director and President & Chief Executive Officer Group CEO (Group Chief Executive Officer) Group CCO (Group Chief Culture Officer)	Chairman of the Board of Tokio Marine & Nichido
Makoto Okada	Executive Vice President Group CSSO (Group Chief Strategy and Synergy Officer) Group CDO (Group Chief Digital Officer) In charge of Strategy and Synergy Dept.	Executive Vice President of Tokio Marine & Nichido
Takayuki Yuasa	Representative Director and Executive Vice President Group CFO (Group Chief Financial Officer) In charge of Corporate Planning Dept., Compliance Dept. and Legal Dept.	Executive Vice President of Tokio Marine & Nichido
Hirokazu Fujita	Senior Managing Director Group CIO (Group Chief Investment Officer) In charge of Financial Planning Dept. and Corporate Accounting Dept.	Senior Managing Director of Tokio Marine & Nichido
Akira Harashima	Representative Director and Senior Managing Director Head of International	Senior Managing Director of Tokio Marine & Nichido

	Insurance Business Co-Head of International Business In charge of International Business Development Dept. (management of North America and the Middle East)	
Kenji Okada	Managing Director Group CRO (Group Chief Risk Officer) In charge of Risk Management Dept.	Managing Director of Tokio Marine & Nichido
Shinichi Hirose	Director	President & Chief Executive Officer of Tokio Marine & Nichido
Akio Mimura	Director (outside director)	Senior Advisor, Honorary Chairman of Nippon Steel Corporation Director of Japan Post Holdings Co., Ltd. (outside director) Director of Development Bank of Japan Inc. (outside director) Director of Nisshin Seifun Group Inc. (outside director) Chairman of The Japan Chamber of Commerce and Industry Chairman of The Tokyo Chamber of Commerce and Industry
Masako Egawa	Director (outside director)	Professor, Graduate School of Business Administration, Hitotsubashi University Director of Mitsui Fudosan Co., Ltd. (outside director)
Takashi Mitachi	Director (outside director)	Senior Adviser of The Boston Consulting Group Director of Rakuten, Inc. (outside director) Director of DMG Mori Co., Ltd. (outside director) Director of Unicharm Corporation (outside director)
Nobuhiro Endo	Director (outside director)	Chairman of the Board of NEC Corporation Director of Sumitomo Dainippon Pharma Co., Ltd. (outside director) Director of Japan Exchange Group, Inc. (outside director) Vice Chairman of Japan Association of Corporate Executives
Takashi Ito	Audit & Supervisory Board Member (full-time)	-
Shozo Mori	Audit & Supervisory Board Member (full-time)	-

Akinari Horii	Audit & Supervisory Board Member (outside audit & supervisory board member)	Director and Special Advisor of The Canon Institute for Global Studies
Akihiro Wani	Audit & Supervisory Board Member (outside audit & supervisory board member)	Attorney-at-law
Nana Otsuki	Audit & Supervisory Board Member (outside audit & supervisory board member)	Executive Officer and Chief Analyst of Monex, Inc. Professor, Graduate School of Division of Business Administration, Nagoya University of Commerce & Business Director of Credit Saison Co., Ltd. (outside director)

- Notes: 1. Outside directors and outside audit & supervisory board members qualify as outside directors and outside company auditors defined by Article 2, paragraph 3, item 5 of the Enforcement Regulations of the Companies Act of Japan (hereinafter the same shall apply in this Business Report).
2. Mr. Akio Mimura, Ms. Masako Egawa, Mr. Takashi Mitachi, Mr. Nobuhiro Endo, Mr. Akinari Horii, Mr. Akihiro Wani and Ms. Nana Otsuki are “independent directors/auditors” as specified by the Tokyo Stock Exchange, Inc.
3. Mr. Makoto Okada resigned his position as Executive Vice President of the Company on March 31, 2020 and assumed his position as Vice President Executive Officer of Tokio Marine & Nichido effective as of April 1, 2020.
4. Ms. Masako Egawa assumed her position as Specially Appointed Professor, Graduate School of Business Administration, Hitotsubashi University effective as of April 1, 2020.
5. Mr. Takashi Ito was General Manager of the Corporate Planning Dept. of the Company and has extensive insight regarding finance and accounting matters.
6. Mr. Akinari Horii has many years of experience in his roles at the Bank of Japan as an executive or regular employee and has extensive insight regarding finance and accounting matters.
7. Mr. Akihiro Wani has many years of experience in his role as a corporate lawyer acting for financial institutions on legal matters and has extensive insight regarding finance and accounting matters.
8. Ms. Nana Otsuki has many years of experience as an analyst in financial institutions and has extensive insight regarding finance and accounting matters.

(2) Remuneration, etc. to Directors and Audit & Supervisory Board Members

	Number of persons to receive remuneration, etc.	Remuneration, etc.
Directors	17 persons	521 million yen
Audit & Supervisory Board Members	5 persons	117 million yen
Total	22 persons	638 million yen

- Notes: 1. “Number of persons to receive remuneration, etc.” includes 5 directors who resigned these positions from the close of the 17th ordinary general meeting of shareholders held on June 24, 2019.
2. “Remuneration, etc.” includes the amounts paid to 5 directors referred to in Note 1 above.
3. Remuneration, etc. in connection with share acquisition rights granted to directors is 121 million yen.
4. Based on the resolution adopted at the 17th ordinary general meeting of shareholders held on

June 24, 2019, the total amount of remuneration, etc. of directors shall be no more than 75 million yen per month (of which remuneration, etc. for outside directors shall be no more than 7.5 million yen). In addition, the total amount of remuneration, etc. in connection with share acquisition rights granted to directors shall be no more than 210 million yen per year (of which remuneration, etc. for outside directors shall be no more than 21 million yen).

5. Based on the resolution adopted at the 9th ordinary general meeting of shareholders held on June 27, 2011, the total amount of remuneration, etc. for audit & supervisory board members shall be no more than 12 million yen per month.

(3) Limitation of Liability

Name	Outline of the contract to limit liability
Akio Mimura (outside director) Masako Egawa (outside director) Takashi Mitachi (outside director) Endo Nobihiko (outside director) Akinari Horii (outside audit & supervisory board member) Akihiro Wani (outside audit & supervisory board member) Nana Otsuki (outside audit & supervisory board member)	In accordance with the provisions of Article 427, paragraph 1 of the Companies Act of Japan, the Company has entered into an agreement with the persons listed in this table to limit their liability provided for in Article 423, paragraph 1 of the Companies Act of Japan. The limitation of liability under the agreement is the higher of either 10 million yen or the amount provided in Article 425, paragraph 1 of the Companies Act of Japan.

3. Matters Concerning Outside Directors and Outside Audit & Supervisory Board Members

(1) Other Posts (As of March 31, 2020)

The other posts of outside directors and outside audit & supervisory board members are as described above in “2. Matters Concerning Directors and Audit & Supervisory Board Members (1) Directors and Audit & Supervisory Board Members (As of March 31, 2020)”.

Of the entities at which outside directors and outside audit & supervisory board members have other posts, Japan Post Holdings Co., Ltd., where Mr. Akio Mimura serves as outside director, has a subsidiary operating in the life insurance industry. Rakuten, Inc., where Mr. Takashi Mitachi serves as outside director, has subsidiaries operating in the property and casualty insurance industry and the life insurance industry.

The Company also has subsidiaries operating in the property and casualty insurance industry and the life insurance industry, and its business domain overlaps with those of both companies indicated above.

(2) Principal Activities

Name	Current term in office	Attendance of board meetings etc.	Major activities including the remarks made at board meetings etc.
Akio Mimura (outside director)	9 years and 9 months	Attended 10 of the 11 board of directors' meetings held during fiscal year 2019.	He has fulfilled his supervisory functions by presenting inquiries and remarks, based on his insight as a specialist in business management acquired through many years of experience in a management role.

Masako Egawa (outside director)	4 years and 9 months	Attended all 11 board of directors' meetings held during fiscal year 2019.	She has fulfilled her supervisory functions by presenting inquiries and remarks, based on her insight into corporate management, etc. acquired through many years of experience in financial institutions, involvement in academic activities related to corporate governance and experience at The University of Tokyo as an Executive Vice President.
Takashi Mitachi (outside director)	2 year and 9 months	Attended all 11 board of directors' meetings held during fiscal year 2019.	He has fulfilled his supervisory functions by presenting inquiries and remarks, based on his insight as a specialist in business management acquired through many years of experience in a consulting firm and a management role.
Nobuhiro Endo (outside director)	9 months	After assuming the position, attended 8 of the 9 board of directors' meetings held during fiscal year 2019.	He has fulfilled his supervisory functions by presenting inquiries and remarks, based on his insight as a specialist in business management acquired through many years of experience in a management role.
Akinari Horii (outside audit & supervisory board member)	8 years and 9 months	Attended all 11 board of directors' meetings and all 11 audit & supervisory board meetings held during fiscal year 2019.	He has fulfilled his audit functions by presenting inquiries and remarks, based on his insight acquired through many years of experience in his role as an executive or a regular employee of the Bank of Japan.
Akihiro Wani (outside audit & supervisory board member)	5 years and 9 months	Attended all 11 board of directors' meetings and all 11 audit & supervisory board meetings held during fiscal year 2019.	He has fulfilled his audit functions by presenting inquiries and remarks, based on his insight acquired through many years of experience in his role as an attorney-at-law.
Nana Otsuki (outside audit & supervisory board member)	1 year and 9 months	Attended all 11 board of directors' meetings and all 11 audit & supervisory board meetings held during fiscal year 2019.	She has fulfilled her audit functions by presenting inquiries and remarks, based on her insight as a specialist in business management acquired through many years of experience as an analyst in financial institutions.

Notes: 1. Current term in office is the length of the term held as of March 31, 2020.

2. Description in the "Attendance of board meetings etc." and "Major activities including the remarks made at board meetings etc." includes attendance of audit & supervisory board meetings and major activities including the remarks made at audit & supervisory board meetings, as well as said matters at the board of director's meetings.

3. All 11 board of directors' meetings held during fiscal year 2019 were ordinary meetings. All 11 audit & supervisory board meetings held during fiscal year 2019 were ordinary meetings.

(3) Remuneration, etc.

	Number of persons to receive remuneration, etc.	Remuneration, etc. received from the insurance holding company	Remuneration, etc. received from the parent company, etc. of the insurance holding company
Total amount of remuneration, etc.	8 persons	104 million yen	-

Notes: 1. "Number of persons to receive remuneration, etc. " includes 1 outside director who resigned this position from the close of the 17th ordinary general meeting of shareholders held on June 24, 2019.

2. "Remuneration, etc. received from the insurance holding company" includes the amounts paid to the outside director referred to in Note 1 above.
3. Of the "Remuneration, etc. received from the insurance holding company", remuneration, etc. in connection with share acquisition rights was 10 million yen.
4. The breakdown of the remuneration, etc. is as follows.
 - Outside directors: 5 persons, 59 million yen
 - Outside audit & supervisory board members: 3 persons, 45 million yen

(4) Comments of Outside Directors and Outside Audit & Supervisory Board Members

No comments with regard to (1) to (3) above.

4. Matters Concerning Common Shares

(1) Number of Shares (As of March 31, 2020)

Total number of shares authorized to be issued: 3,300,000 thousand shares

Total number of the issued shares: 702,000 thousand shares (including 4,129 thousand treasury shares)

(2) Total Number of Shareholders (As of March 31, 2020)

75,979

(Composition ratio by type of shareholders)

Financial institutions:	40.0%
Financial instruments firms:	4.3%
Other domestic companies:	6.6%
Foreign companies:	36.6%
Individuals and others:	11.9%
Treasury shares:	0.6%

(3) Major shareholders (As of March 31, 2020)

Shareholders	Capital contribution to the Company	
	Number of shares held	Ratio of shares held

	thousand shares	%
The Master Trust Bank of Japan, Ltd. (Trust Account)	62,433	8.9
Japan Trustee Services Bank, Ltd. (Trust Account)	46,105	6.6
Meiji Yasuda Life Insurance Company	15,779	2.3
Japan Trustee Services Bank, Ltd. (Trust Account 5)	14,368	2.1
SSBTC CLIENT OMNIBUS ACCOUNT	13,973	2.0
Japan Trustee Services Bank, Ltd. (Trust Account 9)	13,499	1.9
Japan Trustee Services Bank, Ltd. (Trust Account 7)	13,158	1.9
JP Morgan Chase Bank 385151	11,513	1.6
The Master Trust Bank of Japan, Ltd. Retirement Benefits Trust Account for Mitsubishi Corporation	10,832	1.6
State Street Bank West Client - Treaty 505234	9,867	1.4

- Notes: 1. 10,832 thousand shares held by The Master Trust Bank of Japan, Ltd. Retirement Benefits Trust Account for Mitsubishi Corporation are assets entrusted by Mitsubishi Corporation for its retirement benefits trust.
2. The ratio of shares held is calculated after deducting 4,129 thousand treasury shares held by the Company.

5. Matters Concerning Share Acquisition Rights

The following table sets forth the status and outlines of the share acquisition rights issued by the Company to directors, audit & supervisory board members, and executive officers of Tokio Marine Holdings and its major subsidiaries (collectively, "Company Officers, etc.") as remuneration for the performance of their respective duties as of March 31, 2020:

	Number of share acquisition rights (as of March 31, 2020)	Class and number of shares underlying share acquisition rights (as of March 31, 2020)	Amount payable at issuance	Amount to be paid upon exercise of share acquisition rights	Exercise period
July 2007 Share Acquisition Rights	3	300 common shares	491,700 yen	1 yen per share	30 years from the allotment of the share acquisition rights
August 2008 Share Acquisition Rights	12	1,200 common shares	353,300 yen		
July 2009 Share Acquisition Rights	26	2,600 common shares	237,600 yen		

July 2010 Share Acquisition Rights	39	3,900 common shares	234,400 yen	1 yen per share	30 years from the allotment of the share acquisition rights
July 2011 Share Acquisition Rights	147	14,700 common shares	219,500 yen		
July 2012 Share Acquisition Rights	205	20,500 common shares	181,900 yen		
July 2013 Share Acquisition Rights	231	23,100 common shares	332,600 yen		
July 2014 Share Acquisition Rights	425	42,500 common shares	310,800 yen		
July 2015 Share Acquisition Rights	516	51,600 common shares	500,800 yen		
July 2016 Share Acquisition Rights	851	85,100 common shares	337,700 yen		
July 2017 Share Acquisition Rights	941	94,100 common shares	455,100 yen		
July 2018 Share Acquisition Rights	1,220	122,000 common shares	500,700 yen		
July 2019 Share Acquisition Rights	1,601	160,100 common shares	523,700 yen		

- Notes: 1. All share acquisition rights are issued by the Company pursuant to a stock-linked compensation plan.
2. The share acquisition rights set forth in the table above are, pursuant to Article 238, Paragraph 1 and Paragraph 2 of the Companies Act and Article 240 of the same Act, issued to the Company Officers, etc. by set-off against monetary remuneration claims that are consideration for execution of duties at the respective company.
3. Company Officers, etc. that are holders of share acquisition rights may only exercise share acquisition rights after he/she has resigned from his/her position as a director, audit & supervisory board member, or executive officer of the respective entity.

(1) Share Acquisition Rights held by Directors and Audit & Supervisory Board Members of the Insurance Holding Company as of the End of the Fiscal Year

	Number of share acquisition rights	Class and number of shares underlying share acquisition rights	Directors (except outside directors)		Outside Directors		Audit & Supervisory Board Members	
			Number of persons holding share acquisition rights	Number of share acquisition rights	Number of persons holding share acquisition rights	Number of share acquisition rights	Number of persons holding share acquisition rights	Number of share acquisition rights

July 2010 Share Acquisition Rights	7	700 common shares	-	-	1 person	7	-	-
July 2011 Share Acquisition Rights	46	4,600 common shares	1 person	39	1 person	7	-	-
July 2012 Share Acquisition Rights	81	8,100 common shares	2 persons	72	1 person	9	-	-
July 2013 Share Acquisition Rights	70	7,000 common shares	2 persons	50	1 person	7	1 person	13
July 2014 Share Acquisition Rights	56	5,600 common shares	2 persons	42	1 person	6	1 person	8
July 2015 Share Acquisition Rights	99	9,900 common shares	3 persons	91	2 persons	8	-	-
July 2016 Share Acquisition Rights	117	11,700 common shares	3 persons	105	2 persons	12	-	-
July 2017 Share Acquisition Rights	106	10,600 common shares	3 persons	91	3 persons	15	-	-
July 2018 Share Acquisition Rights	133	13,300 common shares	5 persons	118	3 persons	15	-	-
July 2019 Share Acquisition Rights	237	23,700 common shares	8 persons	217	4 persons	20	-	-

Note: As of March 31, 2020, the directors and audit & supervisory board members of the Company have been allotted the number of share acquisition rights to settle their monetary remuneration claims accrued as consideration for their service in the respective companies set forth in this table. The directors and audit & supervisory board members of the Company who were also executive officers of the Company or directors or executive officers of the Company's major subsidiaries at the time of the issuance of the share acquisition rights have been allotted the number of share acquisition rights set forth below in their capacity as directors or executive officers of these companies.

The July 2011 Share Acquisition Rights: 60
The July 2012 Share Acquisition Rights: 61
The July 2013 Share Acquisition Rights: 48
The July 2014 Share Acquisition Rights: 76
The July 2015 Share Acquisition Rights: 67
The July 2016 Share Acquisition Rights: 37
The July 2017 Share Acquisition Rights: 73
The July 2018 Share Acquisition Rights: 67
The July 2019 Share Acquisition Rights: 98

(2) Share Acquisition Rights Allotted to Employees, etc. during the Fiscal Year

	Number of share acquisition rights	Class and number of shares underlying share acquisition rights	Employees		Directors and employees of subsidiaries	
			Number of persons allotted share acquisition rights	Number of share acquisition rights	Number of persons allotted share acquisition rights	Number of share acquisition rights
July 2019 Share Acquisition Rights	1,266	126,600 common shares	13 persons	221	69 persons	1,045

Note: The number of employees' share acquisition rights described in the above table includes the number of share acquisition rights allotted to the employees of the Company who were also directors or executive officers of the Company's major subsidiaries at the time of the issuance of such share acquisition rights to settle their monetary remuneration claims accrued as consideration for their service in the respective companies. "Employees" in the above table are executive officers who are not directors of the Company.

6. Matters Concerning the Independent Auditor

(1) Independent Auditor

Name	Remuneration, etc. for fiscal year 2018	Other matters
PricewaterhouseCoopers Aarata LLC Designated Limited Liability Partners: Masahiko Nara Arakawa Takashi Idesawa Yuko Harada	145 million yen	Non-audit services (i.e., services other than those stipulated in Article 2, paragraph 1 of the Certified Public Accountants Law) provided to the Company by the independent auditor for a fee: accounting advisory service related to International Financial Reporting Standards (IFRS), etc.

- Notes: 1. The Audit & Supervisory Board of the Company has conducted necessary verification on the properness of the auditor's audit plan, the performance of the audit and the grounds for the auditor's estimate of remuneration, etc. and has consented to the amount of the auditor's remuneration, etc. as set forth in paragraph 1, Article 399 of Companies Act of Japan.
2. The audit engagement letter entered into between the Company and the independent auditor does not clearly distinguish between the remuneration, etc. for audit services required by the Companies Act of Japan and the remuneration, etc. for a part of audit services required by the Financial Instruments and Exchange Act of Japan for these services are practically inseparable.
3. The total amount of cash and other financial benefits payable to the independent auditor by the Company and its subsidiaries is 924 million yen.

(2) Agreements for Limitation of Liability

None.

(3) Other matters Concerning the Independent Auditor

a. Policy regarding dismissals or decisions not to reappoint an independent auditor

The Company has adopted a policy regarding decisions on dismissing or not reappointing an independent auditor as described below.

The Audit & Supervisory Board shall dismiss an independent auditor if the independent auditor is deemed to fall under any of the items of Article 340, paragraph 1 of the Companies Act of Japan, based on the consent of all of the Audit & Supervisory Board members. The

Audit & Supervisory Board comprehensively evaluates the professional knowledge, audit ability, audit quality, independence from the Company, and other qualifications of the independent auditor according to the evaluation criteria established by the Audit & Supervisory Board. If the Audit & Supervisory Board finds any problems in the qualification of an independent auditor or otherwise considers it appropriate to dismiss or not reappoint the independent auditor, the Audit & Supervisory Board shall, by resolution, submit to the general meeting of shareholders a proposal for the dismissal or non-reappointment of the independent auditor.

b. Audit of financial statements of major subsidiaries, etc. of the insurance holding company conducted by audit firms other than the independent auditor of the insurance holding company

The financial statements of overseas subsidiaries, etc. are audited by audit firms overseas, including the member firms of PricewaterhouseCoopers which is affiliated with PricewaterhouseCoopers Aarata LLC.

7. Basic Policy Regarding Persons Who Control the Company's Decisions on Financial Matters and Business Policies

None.

8. System to assure appropriate business operations

(1) Overview of the Resolution on Establishment of a System to Assure Appropriate Business Operations

The Company has formulated its "Basic Policies for Internal Controls" below pursuant to the Companies Act and the Ordinance for Enforcement of the Companies Act and establish the system to assure appropriate business operations (internal control system).

1. System for ensuring proper operations within the Tokio Marine Group (the "Group")
 - (1)Based on the Tokio Marine Group corporate philosophy, the Company, as the holding company controlling the businesses of the Group, by establishing both the Group's basic policies for the administration of Group companies and a system of reporting to the Board of Directors, shall implement the Company's management system for all Group companies.
 - a. The Company shall administer the business of Group companies under its direct management ("Managed Companies") by concluding business management agreements with them and through other means.
 - (a)The Company shall provide Managed Companies with the Group's basic policies that form the fundamentals of the Group's management strategies and the Company's management.
 - (b)Business strategies, business projects and other important plans by Managed Companies shall be subject to the Company's prior approval.
 - (c)Managed Companies shall report to the Company their initiatives based on the Group's basic policies and the progress of their business plans.
 - b. The business management of Group companies other than Managed Companies shall, in principle, be made through Managed Companies.
 - (2)The Company shall establish the Group's basic policy for capital allocation and implement systems for operating the capital allocation program.
 - (3)The Company shall establish the Group's basic policy for accounting, understand its consolidated financial position and the Group companies' financial positions, and

- implement systems for obtaining approval from, and submitting reports to, shareholders and supervisory organizations and submitting tax returns to authorities in a proper manner.
- (4)The Company shall establish the Group's basic policy for internal controls over financial reporting and implement systems for ensuring the appropriateness and reliability of financial reporting.
- (5)The Company shall establish the Group's basic policy for disclosure and implement systems for disclosing information on corporate activities in a timely and proper manner.
- (6)The Company shall establish the Group's basic policy for IT governance and implement systems for achieving IT governance.
- (7)The Company shall establish the Group's basic policy for personnel matters with a view to enhancing productivity and corporate value through comprehensive efforts to enhance employees' satisfaction and pride in their work and promoting fair and transparent personnel management linked with proper performance evaluation.
2. System for ensuring the execution of professional duties in accordance with applicable laws, regulations and the Articles of Incorporation
- (1)The Company shall establish the Group's basic policy for compliance and implement compliance systems.
- a. The Company shall establish a department supervising compliance.
- b. The Company shall formulate the Group's code of conduct and ensure that all directors and employees of the Group respect such code of conduct and give top priority to compliance in all phases of the Group's business activities.
- c. The Company shall have Managed Companies prepare compliance manuals and widely promote compliance within the Group by means of training on laws, regulations, internal rules and other matters that all directors and employees of the Group must respect.
- d. The Company shall establish reporting rules in the event of a violation of laws, regulations or internal rules within any of the Managed Companies and, in addition to usual reporting routes, set up hotlines (internal whistle-blower systems) to an internal and external organization and keep all directors and employees of the Group well informed as to the use of the systems.
- (2)The Company shall establish an internal audit department separate and independent of other departments, establish the Group's basic policy for internal audits of the Group and implement systems for efficient and effective internal audits within the Company and Group companies.
3. System for risk management
- (1)The Company shall establish the Group's basic policy for risk management and implement risk management systems.
- a. The Company shall establish a department supervising risk management.
- b. The Company shall perform risk management by following the basic processes of risk identification, evaluation and control, contingency planning and assessment of outcomes through risk monitoring and reporting.
- c. The Company shall have each of the Managed Companies perform risk management appropriate to its types of business and its risk characteristics.
- (2)The Company shall establish the Group's basic policy for integrated risk management and perform quantitative risk management across the entire Group to maintain credit ratings and prevent bankruptcies.
- (3)The Company shall establish the Group's basic policy for crisis management and implement

systems for crisis management.

4. System for ensuring efficient execution of professional duties

- (1)The Company shall formulate a medium-term management plan and an annual plan (including numerical targets, etc.) for the Group.
- (2)The Company shall establish rules regarding the exercise of authority and construct an appropriate organizational structure for achieving its business purposes in order to realize efficient execution of operations through a proper division of responsibilities and a chain of command.
- (3)The Company shall formulate rules for and establish a "Management Meeting", composed of directors, executive officers and other relevant persons, that shall discuss and report on important management issues.
- (4)The Company shall establish an "Internal Control Committee" that shall formulate various basic policies and other measures concerning the Group's internal control systems, evaluate their progress, discuss how to improve them, and promote their implementation.
- (5)The Company shall establish systems for ensuring efficient execution of professional duties at the Group companies as well as the Company in addition to the above (1) to (4).

5. System for preserving and managing information concerning the execution of directors' duties

The Company shall establish rules for the preservation of documents and other materials. The minutes of important meetings and documents containing material information regarding the execution of duties by the directors and the executive officers shall be preserved and managed appropriately in accordance with such rules.

6. Matters concerning support personnel to the Audit & Supervisory Board members

- (1)The Company shall establish the "Office of Audit & Supervisory Board" under the direct control of the Audit & Supervisory Board members for the purpose of supporting them in the performance of their duties. Upon request of the Audit & Supervisory Board members, the Company shall assign full-time employees having sufficient knowledge and ability to support the members in the performance of their duties.
- (2)Employees assigned to the Office of Audit & Supervisory Board shall perform duties ordered by the Audit & Supervisory Board members and other work necessary for proceeding with audits, and such employees shall have the right to collect information necessary for audit purposes.
- (3)Performance evaluations, personnel transfers and disciplinary action concerning such employees shall be made with the approval of the full-time members of the Audit & Supervisory Board.

7. System of reporting to the Audit & Supervisory Board

- (1)Directors and employees shall regularly report to the Audit & Supervisory Board on management, financial condition, compliance, risk management, internal audits and other matters. In the event that they detect a material violation of laws, regulations or internal rules concerning the execution of operations of the Company or a Group company or a fact likely to cause significant damage to the Company or the Group, they shall immediately report thereof to the Audit & Supervisory Board.
- (2)The Company shall establish a system to ensure that the Audit & Supervisory Board members shall be notified by directors and employees or those who receive reports from them, in the event that they detect a material violation of laws, regulations or internal rules concerning the execution of operations of the Company or a Group company, or a fact

likely to cause considerable damage to the Company or the Group.

- (3)The Company shall establish systems necessary to ensure that directors and employees who report the matters described in the preceding paragraph to the Audit & Supervisory Board, shall not be given any disadvantageous treatment as a result.
 - (4)Directors and employees shall regularly report to the Audit & Supervisory Board on matters such as how the hotlines (the internal whistle-blower system) are used and reports and consultations made.
8. Other systems for ensuring effective audits by the Audit & Supervisory Board members
- (1)The Audit & Supervisory Board members shall attend meetings of the Board of Directors, have the right to attend Management Meetings and other important meetings and committees, and express their opinions.
 - (2)The Audit & Supervisory Board members shall have the right to inspect at any time the minutes of important meetings and other important documents relating to decisions approved by directors and executive officers.
 - (3)Directors and employees shall, at any time upon the request of the Audit & Supervisory Board members, explain matters concerning the execution of their duties.
 - (4)The Internal Audit Department shall strengthen its coordination with the Audit & Supervisory Board members by assisting in the audit process and through other means.
 - (5)The Company shall pay all the expenses and fees incurred in the execution of duties by the Audit & Supervisory Board members, except to the extent that the Company proves that such expenses are not necessary

Amended April 1, 2020

(Note) Board of directors' meetings held on March 23, 2020 resolved to amend the Company's Basic Policies for Internal Controls effective on April 1, 2020, as stated above.

(2) Overview of Implementation of Internal Control System

a. Internal Control System in General

The Company has formulated its “Basic Policies for Internal Controls” and, in accordance with these Policies, the Company has established an internal control system for the entire Group including management control of group companies, compliance, risk management, internal audits and audits by Audit & Supervisory Board Members, through which it endeavors to ensure proper operations while raising corporate value. The Company monitors the status and practical application of the Internal Control System, and the Board of Directors confirms the details of the monitoring based on deliberations at the Internal Control Committee. In this fiscal year, it has been confirmed that, as in the previous fiscal year, across the whole Group, there are no significant deficiencies in internal control.

b. Efforts related to Management Control of Group Companies

The Company has formulated various basic policies that the Group is required to comply with in order to ensure proper Group operations and to ensure compliance with laws, regulations and the Articles of Incorporation of the Company. The Company also reviews the policies each

year to determine whether any new policies or revisions to existing policies are necessary and the Company has revised a part of such basic policies this fiscal year.

In the Group's basic policies about management of Group companies, certain material items relating to the businesses of the Company's major Group companies for which prior approval from or report to the Company is required are identified. In accordance with these policies, the Company gives prior approval to business and other plans of major Group companies.

c. Efforts related to Compliance

The Group conducts training each year to inform directors and officers of laws, regulations and internal rules that directors and officers are required to comply with.

The Group has also installed hotlines for directors and officers to report internally regarding potential compliance issues, as well as informing them about use of the hotlines through training and other methods and responding to reports. In addition, the Group installed a hotline that can handle internal reports in multiple languages from Japan and abroad.

In order to continuously enhance the compliance system across the whole Group, the Group is focusing on working to improve the system in the areas where a globally consistent response is required such as measures to comply with economic sanctions and prevent money laundering and terrorism funding as well as for personal information protection. In addition, this fiscal year, we appointed a Group Chief Legal and Compliance Officer (Group CLCO) as head of the legal and compliance activities of the Group in order to further strengthen both its legal and compliance functions.

d. Efforts related to Risk Management

The Company identifies risks that may have material effect on the financial soundness and continuity of operations of the Company, establishes countermeasures against such risks, deliberates on the implementation of such countermeasures at the Internal Control Committee and confirms their effectiveness at board of directors' meetings. In this fiscal year, in order to address cyber risk, in addition to integrating our global cybersecurity surveillance systems in each region, we have also endeavored to increase the number of the personnel engaged in the field of cybersecurity. In addition, given that events that attract worldwide attention are to be held in Japan, and the occurrence of terrorist attacks in countries around the world, the Group has provided basic training on counter-terrorism measures and simulation training for dealing with incidents of domestic terrorism. In order to maintain credit ratings and forestall bankruptcy, the Board of Directors conducts a multi-faceted investigation to confirm that the Group's real net assets are at a sufficient level compared to the risks the Group faces and confirms that financial soundness is maintained.

e. Efforts related to Internal Audits

In order to achieve management objectives effectively, the Company conducts internal audits of the operations of each department, and offers recommendations regarding improvements for any issues that are identified. In addition, we request Group companies to conduct efficient and effective internal audits in accordance with the type and degree of risk, while monitoring the implementation status of internal audits at Group companies and the status of their internal control systems, mainly through reports of the results of their internal audits.

In this fiscal year, the Company has consolidated the internal auditors of medium or small

sized domestic group companies to the Company so that they can be directly audited by the Internal Audit Department of the Company in order to stabilize the internal audit system and improve the quality of internal audits by adopting a team approach, etc.

f. Efforts to Ensure Efficient Audits by Audit & Supervisory Board Members

The Company provides information to Audit & Supervisory Board Members sufficient to ensure effective audit by the Audit & Supervisory Board Members such as by having them attend meetings of the Board of Directors and other important meetings, as well as providing them access to important financial reports, which allows them to evaluate directors' execution of their duties.

The Company's Internal Audit Department also collaborates with Audit & Supervisory Board Members by providing information on the internal audit plan and the outcome of the internal audit.

In addition, the Company reports to Audit & Supervisory Board Members four times a year on the implementation of the internal reporting hotline.

9. Items related to Specified Wholly-owned Subsidiary

(1) Name and Address of the Specified Wholly-owned Subsidiary

Tokio Marine & Nichido Fire Insurance Co., Ltd.
2-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan

(2) The Total Book Value of Shares of the Specified Wholly-owned Subsidiary Owned by the Company and its Wholly-owned Subsidiaries and Other Related Companies as of the End of the Fiscal Year

2,098,509 million yen

(3) Total Amount Recorded in the Assets Section of the Balance Sheet pertaining to the Company's Current Fiscal Year

2,389,910 million yen

10. Matters Concerning Transactions with the Parent Company

None.

11. Matters Concerning Accounting Advisers (*Kaikei Sanyo*)

None.

12. Other Matters

None.

Consolidated Balance Sheet as of March 31, 2020

(Yen in millions)

	As of March 31, 2020
Assets	
Cash and bank deposits	820,873
Receivables under resale agreements	999
Receivables under securities borrowing transactions	4,612
Monetary receivables bought	1,363,752
Money trusts	2,103
Securities	17,875,998
Loans	1,524,100
Tangible fixed assets	315,216
Land	133,825
Buildings	134,346
Construction in progress	4,206
Other tangible fixed assets	42,837
Intangible fixed assets	1,101,306
Software	43,992
Goodwill	533,432
Other intangible fixed assets	523,880
Other assets	2,217,451
Net defined benefit assets	2,710
Deferred tax assets	33,888
Customers' liabilities under acceptances and guarantees	2,114
Allowance for doubtful accounts	(11,162)
Total assets	25,253,966
Liabilities	
Insurance liabilities	17,222,596
Outstanding claims	2,995,636
Underwriting reserves	14,226,960
Corporate bonds	270,536
Other liabilities	3,628,726
Payables under securities lending transactions	1,620,178
Other liabilities	2,008,548
Net defined benefit liabilities	245,966
Provision for employees' bonus	70,698
Reserves under special laws	118,071
Price fluctuation reserve	118,071
Deferred tax liabilities	239,668
Negative goodwill	28,911
Acceptances and guarantees	2,114
Total liabilities	21,827,291
Net assets	
Share capital	150,000
Retained earnings	1,800,292
Treasury shares	(23,210)
Total shareholders' equity	1,927,082
Unrealized gains (losses) on available-for-sale securities	1,435,437
Deferred gains (losses) on hedge transactions	11,427

Foreign currency translation adjustments	8,042
Remeasurements of defined benefit plans	(9,840)
Total accumulated other comprehensive income	1,445,066
Share acquisition rights	2,545
Non-controlling interests	51,980
Total net assets	3,426,675
Total liabilities and net assets	25,253,966

Consolidated Statement of Income for fiscal year 2019

(Yen in millions)

	Fiscal year 2019 (April 1, 2019 to March 31, 2020)
Ordinary income	5,465,432
Underwriting income	4,701,979
Net premiums written	3,598,396
Deposit premiums from policyholders	77,041
Investment income on deposit premiums	39,466
Life insurance premiums	981,900
Other underwriting income	5,174
Investment income	642,214
Interest and dividends	513,041
Gains on trading securities	18,016
Gains on sales of securities	142,625
Gains on redemption of securities	541
Other investment income	7,456
Transfer of investment income on deposit premiums	(39,466)
Other ordinary income	121,238
Amortization of negative goodwill	10,229
Other ordinary income	111,009
Ordinary expenses	5,101,486
Underwriting expenses	4,096,249
Net claims paid	2,057,707
Loss adjustment expenses	145,299
Agency commissions and brokerage	694,708
Maturity refunds to policyholders	158,337
Dividends to policyholders	18
Life insurance claims	412,721
Provision for outstanding claims	128,992
Provision for underwriting reserves	489,344
Other underwriting expenses	9,120
Investment expenses	82,938
Losses on money trusts	50
Losses on sales of securities	12,723
Impairment losses on securities	26,577
Losses on redemption of securities	772
Losses on derivatives	12,809
Losses on separate account	8,449
Other investment expenses	21,554
Operating and general administrative expenses	892,776
Other ordinary expenses	29,522
Interest expenses	18,940
Increase in allowance for doubtful accounts	808
Losses on bad debts	133
Equity in losses of affiliates	4,445
Other ordinary expenses	5,195
Ordinary profit	363,945

(Yen in millions)

	Fiscal year 2019 (April 1, 2019 to March 31, 2020)
Extraordinary gains	9,695
Gains on disposal of fixed assets	173
Gains on step acquisition	4,454
Gains on sales of shares of subsidiaries and affiliates	4,336
Other extraordinary gains	731
Extraordinary losses	19,513
Losses on disposal of fixed assets	1,941
Impairment losses on fixed assets	6,386
Provision for reserves under special laws	9,614
Provision for price fluctuation reserve	9,614
Losses on reduction of real estate	0
Losses on sales of shares of subsidiaries and affiliates	209
Other extraordinary losses	1,359
Income before income taxes and non-controlling interests	354,127
Income taxes - current	118,662
Income taxes - deferred	(26,372)
Total income taxes	92,289
Net income	261,838
Net income attributable to non-controlling interests	2,074
Net income attributable to owners of the parent	259,763

Consolidated Statement of Changes in Shareholders' Equity

Fiscal year 2019 (April 1, 2019 to March 31, 2020)

(Yen in millions)

	Shareholders' equity			
	Share capital	Retained earnings	Treasury shares	Total shareholders' equity
Beginning balance	150,000	1,742,188	(18,299)	1,873,889
Accumulative total impact amount by the amendment in accounting standards of overseas subsidiaries		(3,565)		(3,565)
Beginning balance refelected the amendment in accounting standards iof oversease subsidiaries	150,000	1,738,622	(18,299)	1,870,323
Changes during the year				
Dividends		(154,882)		(154,882)
Net income attributable to owners of the parent		259,763		259,763
Purchases of treasury shares			(50,940)	(50,940)
Disposal of treasury shares		(321)	1,066	744
Cancellation of treasury shares		(44,962)	44,962	-
Changes in scope of consolidation		2,272		2,272
Others		(199)		(199)
Net changes in items other than shareholders' equity				
Total changes during the year	-	61,669	(4,910)	56,759
Ending balance	150,000	1,800,292	(23,210)	1,927,082

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Unrealized gains (losses) on available-for-sale securities	Deferred gains (losses) on hedge transactions	Foreign currency translation adjustments	Remeasurements of defined benefit plans			
Beginning balance	1,676,369	9,472	24,892	(10,389)	2,479	27,027	3,606,741
Accumulative total impact amount by the amendment in accounting standards of overseas subsidiaries	3,565						-
Beginning balance refelected the amendment in accounting standards iof oversease subsidiaries	1,679,935	9,472	24,892	(10,389)	2,479	27,027	3,606,741
Changes during the year							
Dividends							(154,882)
Net income attributable to owners of the parent							259,763
Purchases of treasury shares							(50,940)
Disposal of treasury shares							744
Cancellation of treasury shares							-
Capital increase of consolidated subsidiaries							2,272
Others							(199)
Net changes in items other than shareholders' equity	(244,498)	1,955	(16,850)	548	66	24,953	(233,825)
Total changes during the year	(244,498)	1,955	(16,850)	548	66	24,953	(177,066)
Ending balance	1,435,437	11,427	8,042	(9,840)	2,545	51,980	3,426,675

Notes to Consolidated Financial Statements

Significant matters related to consolidated financial statements

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 164 companies

Names of major consolidated subsidiaries:

Tokio Marine & Nichido Fire Insurance Co., Ltd.
Nisshin Fire & Marine Insurance Co., Ltd.
E.design Insurance Co., Ltd.
Tokio Marine & Nichido Life Insurance Co., Ltd.
Tokio Marine Millea SAST Insurance Co., Ltd.
Tokio Marine Asset Management Co., Ltd.
Tokio Marine North America, Inc.
Philadelphia Consolidated Holding Corp.
Philadelphia Indemnity Insurance Company
First Insurance Company of Hawaii, Ltd.
Tokio Marine America Insurance Company
Delphi Financial Group, Inc.
Safety National Casualty Corporation
Reliance Standard Life Insurance Company
Reliance Standard Life Insurance Company of Texas
HCC Insurance Holdings, Inc.
Houston Casualty Company
U.S. Specialty Insurance Company
HCC Life Insurance Company
Privilege Underwriters, Inc.
Tokio Marine Kiln Group Limited
Tokio Marine Underwriting Limited
HCC International Insurance Company PLC
Tokio Marine Asia Pte. Ltd.
Tokio Marine Insurance Singapore Ltd.
Tokio Marine Life Insurance Singapore Ltd.
Tokio Marine Insurans (Malaysia) Berhad
Tokio Marine Life Insurance Malaysia Bhd.
Tokio Marine Safety Insurance (Thailand) Public Company Limited
Tokio Marine Seguradora S.A.

Beginning with fiscal year 2019, Privilege Underwriters, Inc. and twelve other companies are included as consolidated subsidiaries because they became subsidiaries due to share acquisition, etc.

Safety Insurance Public Company Limited, which was a consolidated subsidiary in fiscal year 2018, was dissolved in the merger with Tokio Marine Insurance (Thailand) Public Company Limited, and Tokio Marine Safety Insurance (Thailand) Public Company Limited, which was newly established in the merger, became a consolidated subsidiary. Also, from fiscal year 2019, Bail USA, Inc. and three other companies are excluded from the scope of consolidation due to sale

of holding shareholdings, etc.

(2) Names of major non-consolidated subsidiaries

Major subsidiaries:

Tokio Marine & Nichido Adjusting Service Co., Ltd.

Tokio Marine Life Insurance (Thailand) Public Company Limited

Reason the subsidiaries were excluded from the consolidation:

Each of these non-consolidated subsidiaries is small in scale in terms of total assets, sales, net income or loss for the period and retained earnings, etc. 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 and are excluded from the consolidation.

2. Application of the equity method

(1) Number of affiliates accounted for by the equity method: 7 companies

Names of major affiliates accounted for by the equity method:

IFFCO-Tokio General Insurance Co. Ltd.

Edelweiss Tokio Life Insurance Company Limited

Hollard Holdings Proprietary Limited

Hollard International Proprietary Limited

NAS Insurance Services LLC, which became subsidiary due to acquisition of additional shares after being affiliate, , and one other company, which were accounted for by the equity method in fiscal year 2018, are excluded from the scope of application of the equity method from fiscal year 2019.,

(2) The non-consolidated subsidiaries (Tokio Marine & Nichido Adjusting Service Co., Ltd., Tokio Marine Life Insurance (Thailand) Public Company Limited, etc.) and other affiliates (Alinma Tokio Marine Company, etc.) have not been 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 period and retained earnings, etc. and are not considered material as a whole.

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

(4) With regard to any company accounted for by the equity method that has a different closing date from that of the consolidated financial statements, in principle, the financial statements of that company for its fiscal year are used for presentation in the consolidated financial results.

3. Matters relating to the fiscal year, etc. of consolidated subsidiaries

The closing date of the fiscal year for three of the domestic consolidated subsidiaries and 152 overseas consolidated subsidiaries is December 31. Since the differences in the closing dates do not exceed three months, the financial statements of the consolidated subsidiaries as of December 31 are used for presentation in the accompanying consolidated financial statements. As for any significant transactions taking place during the period between the subsidiaries' closing dates and the consolidated closing

date, necessary adjustments are made for consolidation purposes.

4. Accounting policies

(1) Valuation of securities

- a. Trading securities are valued by the mark-to-market method, with the costs of their sales being calculated on the moving-average method.
- b. Bonds held to maturity are recorded by using the amortized cost method (straight-line method) based on the moving-average method.
- c. Bonds earmarked for underwriting reserves are recorded by using amortized cost method (straight-line method) based on the moving-average 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.

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

In order to control interest rate fluctuation risks relating to assets and liabilities, Tokio Marine & Nichido Life defines the following subgroup within its underwriting reserves: “the part of underwriting reserve for individual insurance (non-participating type or five-year (investment yield margin) dividend and premium installment type)”, and maintains a policy of matching the duration of underwriting reserves of that subgroup and bonds earmarked for the underwriting reserve within certain time range.

From fiscal year 2019, from the viewpoint of promoting Asset Liability Management (“ALM”), the subgroup “the part of underwriting reserves for individual insurance (non-participating)” has been expanded to “the part of underwriting reserves for individual insurance (non-participating type or five-year (investment yield margin) dividend and premium installment type)”. This change has no effect on the consolidated financial statements. Also, at the end of fiscal year 2019, the Company abolished the subgroups for lump sum individual annuity insurance and lump sum whole-life deposit-type insurance, and reclassified the bonds earmarked for the underwriting reserve held in those subgroups into other securities. This was mainly due to a decrease in the balance of underwriting reserves pertaining to these subgroups, which made it less meaningful to reflect the actual status of interest rate risk management using the matching of assets and liabilities in the consolidated financial statements. The effect of this change on the consolidated financial statements is negligible.

- d. Other securities with fair value are recorded by the mark-to-market method based upon the market price, etc. on the closing date. The total amount of unrealized gains/losses on such securities is directly added to net assets with costs of sales being calculated on the moving-average method.
- e. Other securities for which the fair value cannot be measured reliably are recorded at cost determined by the moving-average method.
- f. Equity shares in non-consolidated subsidiaries and affiliates that are not subject to the equity method are recorded at cost determined by the moving-average method.

g. Securities held in individually managed money trusts that are managed as trust properties are recorded by the mark-to-market method.

(2) Valuation of derivative transactions

Derivative financial instruments are accounted for by the mark-to-market method.

(3) Depreciation method for tangible fixed assets

The depreciation of tangible fixed assets is accounted for by the straight-line method.

(4) Depreciation method for intangible fixed assets

Depreciation of intangible fixed assets procured through acquisitions of overseas subsidiaries is recorded over the period of time for which the Company estimates such subsidiaries contribute to the Company, and in accordance with the form of such contribution.

(5) Accounting policies for significant reserves and allowances

a. Allowance for doubtful accounts

In order to provide for losses from defaults, major domestic consolidated subsidiaries of the Company establish allowance for doubtful accounts in accordance with asset self-assessment and asset write-off rules as detailed below.

For claims against any debtor who has legally, technically, or substantially become insolvent (due to bankruptcy, special liquidation or suspension of transactions at draft clearinghouses, etc.), allowance is calculated based on the amount of any such claim minus the amount expected to be collectible from disposal of collateral or performance of applicable guarantees.

For claims against any debtor who is likely to become insolvent in the foreseeable future, allowance is calculated based on the amount of any such claim minus the amount expected to be collectible from disposal of collateral, performance of applicable guarantees or the relevant debtor itself, taking into consideration the overall solvency assessment of the relevant debtor.

For claims other than those described above, allowance is provided based on the amount of claims multiplied by the expected default rate, which is computed based on historical loan loss experience in certain previous periods.

In addition, all claims are assessed by the asset accounting department and the asset management department in accordance with the rules of asset self-assessment. Subsequently, the asset auditing department, which is independent from these departments, audits the results of assessment by the other asset-related departments. Allowance for doubtful accounts is recorded based on such assessment results and audits stated above.

b. Provision for employees' bonus

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

c. 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, etc.

(6) Accounting for retirement benefits

a. Attribution method for projected retirement benefit obligations

In calculating retirement benefit obligations, attribution to the period ended March 31, 2019 is based on benefit formula criteria.

b. Method to charge actuarial differences and prior service costs

Actuarial differences are charged to expenses in the subsequent fiscal year in amounts obtained by proportional calculation using the straight-line method over a certain term (5-13 years) within the average remaining years of service of the employees at the time when the differences were incurred for each fiscal year.

Prior service costs are charged to expenses in each subsequent fiscal year using the straight-line method over a certain term (7-13 years) within the average remaining years of service of the employees at the time when such costs were incurred.

(7) Accounting for consumption tax, etc.

The Company and its domestic consolidated subsidiaries account for consumption tax, etc. by the tax-excluded method. However, domestic consolidated insurance subsidiaries account for expenses such as operating and general administrative expenses by the tax-included method.

In addition, any non-deductible consumption tax incurred in connection with assets is included in other assets and is amortized over 5 years using the straight-line method.

(8) Significant method for hedge accounting

a. Interest rate

To mitigate interest rate fluctuation risks associated with long-term insurance policies, Tokio Marine & Nichido and Tokio Marine & Nichido Life conduct Asset Liability Management ("ALM") to control such risks by evaluating and analyzing financial assets and insurance liabilities simultaneously.

With regard to some of the interest rate swap transactions that are used to manage such risks, 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 Treatment related to Adoption of Accounting Standards for Financial Instruments in the Insurance Industry" (issued by the JICPA, September 3, 2002).

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

b. Foreign exchange

With regard to some of major domestic consolidated insurance subsidiaries' currency swap transactions and currency forward transactions, which have been entered into for the purpose of hedging foreign exchange risk associated with assets denominated in foreign currencies, etc. (a) fair value hedge accounting, (b) deferred hedge accounting or (c) matching treatment are applied. The hedge effectiveness is not evaluated for hedging treatments that are believed to have high hedge

effectiveness, such as in cases where hedging tools and hedged instruments share the same important characteristics.

Tokio Marine & Nichido applies deferred hedge accounting to foreign currency loans which hedge foreign exchange risk associated with equity in overseas subsidiaries. Hedge effectiveness is evaluated based on a comparison of the aggregate market fluctuation of the hedged instruments and hedging tools during the period from when the hedge was entered and ending at the time of the evaluation.

(9) Amortization method and amortization period for goodwill

Goodwill recognized as an asset on the consolidated balance sheet is amortized in the following manner. The goodwill in connection with Philadelphia Consolidated Holding Corp., HCC Insurance Holdings, Inc., and Privilege Underwriters, Inc., is amortized over 20 years, 10 years, and 15 years, respectively, using the straight-line method. Other goodwill is amortized over 5 to 15 years using the straight-line method, however when the amount is small it is amortized as a lump sum.

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

Additional Information

Overseas consolidated subsidiaries that adopt U.S. accounting standards have applied the provisions of the “Recognition and Measurement of Financial Assets and Financial Liabilities” (ASU 2016 – 01) issued by the U.S. Financial Accounting Standards Board, from the fiscal year 2019.

As a result of the application of this standard, from fiscal year 2019, a portion of the change in fair value of equity investments, which were previously recognized as other comprehensive income, has been recognized as net income or loss. Also, at the beginning of fiscal year 2019, the unrealized gains (losses) on available-for-sales securities related to the said equity investment (loss of 3,565 million yen) at the end of fiscal year 2018 is reclassified as earned surplus, and a portion of the securities classified as other securities at the end of fiscal year 2018 (65,355 million yen) is included in trading securities.

The application of this standard did not have a material impact on ordinary profit or income before income taxes and non-controlling interests.

Notes to consolidated balance sheet

1. Accumulated depreciation of tangible fixed assets is 363,575 million yen, and deferred capital gain for tax purpose is 18,454 million yen.
2. Shares and investment in non-consolidated subsidiaries and affiliates are 163,753 million yen and 29,035 million yen, respectively.
3. The total amount of loans to borrowers in bankruptcy, past due loans, loans past due for three months or more, and restructured loans is 56,947 million yen. The breakdown is set forth below.

(1) The amount of loans to borrowers in bankruptcy is 19,589 million yen.

Loans that are past due for a certain period, or for which substantial doubt is otherwise considered to exist as to the ultimate collectability either of principal or interest, are generally placed on non-accrual

status ("Non-accrual status loans"; however, any part of bad debt written-off is excluded.). Loans to borrowers in bankruptcy represent non-accrual status loans that fall within the definitions provided in Article 96, paragraph 1, subparagraph 3 (a) to (e) (maximum amount transferable to allowance for doubtful accounts) and subparagraph 4 of the Enforcement Ordinance of the Corporation Tax Law (Ordinance No. 97, 1965).

(2) The amount of past due loans is 36,625 million yen.

Past due loans are non-accrual status loans, other than those to borrowers in bankruptcy, and those on which interest payments are deferred in order to assist business restructuring of the borrowers.

(3) The amount of loans past due for three months or more is 732 million yen.

Loans past due for three months or more are defined as loans on which any principal or interest 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 from this category.

(4) The amount of restructured loans is zero.

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 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 totals 42,061 million yen in savings deposits, 24,559 million yen in monetary receivables bought, 346,071 million yen in securities and 125,181 million yen in loans.

Collateralized debt obligations are held to the value of 152,710 million yen in outstanding claims, 166,587 million yen in underwriting reserve and 73,658 million yen in other debts (including foreign reinsurance related debts, etc.).

5. Of securities, etc., received in connection with cash-secured lending transactions and others, those with the right to dispose by sale or rehypothecation have a fair value of 5,610 million yen and are wholly held by the Company.

6. Securities include securities lent under loan agreements of 1,978,262 million yen.

7. The outstanding balance of undrawn committed loans is as follows.

	(Yen in millions)
Total loan commitments	955,147
<u>Balance of drawn committed loans</u>	<u>685,003</u>
Undrawn loan commitments	270,144

8. The amount of both assets and liabilities for special account as prescribed in Article 118 of the Insurance Business Act totals 123,242 million yen.

9. Tokio Marine & Nichido guarantees the liabilities of the below subsidiary.

Tokio Marine Compañía de Seguros, S.A. de C.V.: 5,884 million yen.

10. Subordinated borrowings with the rider providing that they are repayable only after other debts, 100,000 million yen, are included in other liabilities.

Notes to consolidated statement of income

1. Major components of business expenses

(Yen in millions)

Agency commissions, etc.	598,016
Salaries	303,785

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. Impairment losses are recorded as follows.

Use	Type	Location	Impairment Loss (Yen in millions)			
			Land	Building	Other	Total
Real estate, etc. for business use (General business (Nursing care business))	Land and buildings etc.	3 properties including a building in Setagaya-ku, Tokyo	-	3	15	18
Real estate, etc. for business use (General business (Others))	Buildings, goodwill and other intangible fixed assets	Properties including fixtures attached to buildings in Yokohama-shi, Kanagawa ken	-	24	3,117	3,141
Real estate for leasing use	Land and buildings	2 properties including a building in Aizuwakamatsu-shi, Fukushima ken	92	190	-	283
Unused real estate and real estate to be sold	Land and buildings	6 properties including a building in Numazu-shi, Shizuoka ken	242	1,159	-	1,401
Unused assets	Software		-	-	1,540	1,540
Total	-	-	335	1,377	4,673	6,386

Real estate, etc., for business use that is provided for use in the insurance business, etc. is treated as one asset group for each consolidated company. The leasing use real estate, etc., unused real estate, etc., and the real state to be sold, and the real estate, etc. for business use provided for use in the general business (nursing care business) are grouped by individual property based on main use.

Regarding real estate, etc. for business use provided for use in general business (nursing care business), since the total amount of future cash flows is lower than the amount of the fixed asset book value, the book value amount was reduced to the amount of the recoverable value and the amount of said reduction is recorded as an impairment loss under the category of extraordinary loss. The amount of the recoverable value of said assets is calculated by discounting future cash flows by 6.0%.

Also, regarding the goodwill and other intangible fixed assets, etc. that arise by business purchases, and are included in real estate, etc. provided for use in general business (others) – as a result of re-evaluation of future cash flows based on the fact that sales are less than planned, since the future cash flows initially anticipated can no longer be expected, the book value amount was reduced to the amount of the recoverable value and the amount of said reduction is recorded as an impairment loss under the category of extraordinary loss. The amount of the recoverable value of said assets is measured based on value in use and calculated by discounting future cash flows by 7.0%.

Regarding real estate for leasing use, the book value amount was reduced to the amount recoverable value mainly due to a decline in real estate prices, and the amount of said reduction in value was recorded as an impairment loss under extraordinary loss. The amount of the recoverable value of said assets is the higher of the net selling price or the value in use. Net selling price is the amount obtained by subtracting the estimated costs of disposal from the appraised value amount, etc. provided by a real estate appraiser.

For real estate not in use and real estate to be sold, due mainly to the policy decision to sell these assets, the book value amount was reduced to the amount of the recoverable value and the amount of said reduction is recorded as an impairment loss under the category of extraordinary loss. The amount of the recoverable value of said assets is the amount of the net selling price. The amount of the net selling price is the appraisal value amount, etc. provided by a real estate appraiser, less the amount of the estimated costs of disposal.

Since unused assets are not expected to be used in the future, the entire book value thereof is recorded as an impairment loss under extraordinary losses.

Notes to consolidated statement of changes in shareholders' equity

1. Class and number of issued shares and treasury shares

(Thousand shares)				
	Number of shares as of April 1, 2019	Increase during fiscal year 2019	Decrease during fiscal year 2019	Number of shares as of March 31, 2020
Issued shares				
Common share	710,000	-	8,000	702,000
Total	710,000	-	8,000	702,000
Treasury share				
Common share	3,443	8,886	8,199	4,129
Total	3,443	8,886	8,199	4,129

Notes: 1. The decrease of 8,000 thousand issued shares is attributable to cancellation of treasury shares.

2. The increase of 8,886 thousand treasury shares of common share is primarily attributable to a purchase of 8,811 thousand treasury shares by the resolution of board of

directors' meetings.

3. The decrease of 8,199 thousand treasury shares of common share is primarily attributable to a cancellation of treasury shares that decreased treasury shares by 8,000 thousand.

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

Category	Nature of share acquisition rights	Amount as of March 31, 2020 (Yen in millions)
The Company (parent company)	Share acquisition rights as share options	2,545

3. Dividends

(1) Amount of dividends

(Resolution)	Class of share	Total amount of dividends paid (Yen in millions)	Amount of dividends per share (Yen)	Record date	Effective date
Ordinary general meeting of shareholders held on June 24, 2019	Common share	63,590	90.00	March 31, 2019	June 25, 2019
Meeting of the board of directors held on November 19, 2019	Common share	91,292	130.00	September 30, 2019	December 6, 2019

Note: Regarding the resolution to pay dividends that was adopted at the board of directors meeting held on November 19, 2019, the dividend amount per share consists of 95 yen in ordinary dividends and 35 yen as a one-time dividend for capital level adjustment.

- (2) Dividends of which the record date falls within fiscal year 2019, and of which the effective date falls on or after April 1, 2020.

The Company intends to obtain approval for the following dividend payment at the 18th Ordinary General Meeting of Shareholders to be held on June 29, 2020.

(Resolution)	Class of share	Total amount of dividends paid (Yen in millions)	Source of dividends	Amount of dividends per share (Yen)	Record date	Effective date
Ordinary general meeting of shareholders to be held on June 29, 2020	Common share	66,297	Retained earnings	95.00	March 31, 2020	June 30, 2020

Information on financial instruments

1. Qualitative information on financial instruments

The Group's core operation is its insurance business and it generally makes investments based on cash inflows mainly arising from insurance premiums. Therefore, the Group is working toward long-term and stable profit and effective liquidity maintenance through appropriate Asset Liability Management (“ALM”) based risk control that takes into consideration the characteristics of insurance products.

Specifically, the Group is controlling interest rate risk to which insurance liabilities are exposed and is managing credit risk through investing mostly in bonds with high credit ratings. In addition, the Group aims to secure mid-to-long-term profit by diversifying risk, investing both within and outside Japan, and using varied investment techniques, including investing in foreign securities. With regard to held assets, the Group is utilizing foreign exchange forwards and other derivative transactions in order to mitigate risk.

In order to take measures against risks involved in these asset management activities, in major consolidated subsidiaries, the risk management department, which is independent of trading departments, quantitatively and qualitatively controls risk in order to deal with market risk and credit risk etc. pertaining to financial instruments.

Through these approaches, the Group aims to increase investment income in order to maximize net asset value in the mid-to-long-term, and maintain financial soundness.

2. Fair value, etc. of financial instruments

The table below shows the carrying amount shown on the balance sheet, the fair value, and difference between these figures as these pertain to financial instruments as of March 31, 2020. Note that equity shares in non-consolidated subsidiaries, etc. for which it is extremely difficult to determine the fair value are not included in the table (See Note 2).

(Yen in millions)

	Carrying amount shown on balance sheet	Fair value	Difference
(1) Cash and bank deposits	820,873	820,942	69
(2) Receivables under resale Agreements	999	999	-
(3) Receivables under security borrowing transactions	4,612	4,612	-
(4) Monetary receivables bought	1,363,752	1,363,752	-
(5) Money trusts	2,103	2,103	-
(6) Securities			
Trading securities	465,487	465,487	-
Bonds held to maturity	5,092,780	5,985,487	892,707
Bonds earmarked for underwriting reserves	1,859,815	1,870,691	10,876
Other securities	10,133,026	10,133,026	-
(7) Loans	1,396,273		
Allowance for doubtful accounts (*1)	[3,052]		
	1,393,221	1,393,529	308
(8) Corporate bonds (*2)	[270,536]	[263,145]	[(7,391)]
(9) Payables under security lending transactions (*2)	[1,620,178]	[1,620,178]	-
(10) Derivative assets and liabilities (*3)	34,555	34,555	-

(*1) The general and individual allowances for doubtful accounts that are earmarked for loans are deducted from the carrying amount.

(*2) Figures presented in parentheses [] are liabilities.

(*3) Net assets and net liabilities arising from derivative transactions (insofar as such transactions are recorded in other assets and other liabilities) are presented as a net amount. Figures that are net liabilities in total are presented in parentheses [].

Notes: 1. Valuation method for financial instruments

With regard to (1) Cash and bank deposits (excluding those defined as securities in "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, July 4, 2019)), (2) Receivables under resale agreements, and (3) Receivables under security borrowing transactions, the book value is deemed as the fair value in principle since it is scheduled to be settled in a short period of time and the book value approximates the fair value.

Regarding (4) Monetary receivables bought, (5) Money trusts and (6) Securities (including those in (1) Cash and bank deposits that are defined to be securities in "Accounting Standard for Financial Instruments") with quoted market price, 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 (7) Loans, the book value is deemed as the fair value unless the borrower's credit standing has materially changed since the execution of the loan because interest rate changes will be timely reflected in the future cash flows and the book

value approximates the fair value. 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.

With regard to (8) Corporate bonds, the price of the over-the-counter transactions is the fair value.

With regard to (9) Payables under security 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.

With regard to (10) Derivative assets and liabilities with quoted market price, the quoted closing price is used as the fair value. For derivative assets and liabilities with no quoted market price, the net present value of the estimated future cash flows or the calculated price based on an option pricing model is applied as the fair value.

2. Equity shares in non-consolidated subsidiaries, unlisted shares and partnership investments etc. (Carrying amount on the consolidated balance sheet: 321,277 million yen) are not included in (6) Securities because the fair value cannot be determined as they have no quoted market price and the future cash flow cannot be estimated.

Policy loans (Carrying amount on the consolidated balance sheet: 127,827 million yen) are not included in (7) Loans because future cash flows cannot be estimated since it is arranged under insurance policy and the amount is limited within repayment fund for cancellation with no contractual maturity.

Information on leasing etc. of real estate

1. Some of the consolidated subsidiaries hold office buildings and land mainly in Tokyo, Osaka and Nagoya, some of which are leased out.
2. Fair value of investment property

(Yen in millions)

Carrying amount shown on balance sheet as of March 31, 2020	Fair value as of March 31, 2020
64,894	155,629

Notes: 1. Carrying amount is the amount obtained by deduction of the accumulated depreciation and the accumulated impairment losses from the acquisition cost.

2. Fair value as of March 31, 2020 is primarily based on appraisals by qualified external valuers.

Per share information

Net assets per share	4,832.05 yen
Net income per share	369.74 yen

Other notes

Matters relating to business combination by acquisition

The Company, through its subsidiary HCC Insurance Holdings, Inc. ("HCC Co."), acquired all of the outstanding shares of Privilege Underwriters, Inc. ("Pure Co."), which specializes in insurance products and services for U.S. high net worth customers.

1. Overview of business combination

(1) Name of acquired company

Privilege Underwriters, Inc.

(2) Description of business

Holding company for a management company and an insurance company, etc.

(3) Main reasons for business combination

The purpose of this acquisition is to further expand our international business in both scale and profit, and improve the capital efficiency of the Group as a whole and achieve sustainable profit growth by building a further diversified global business portfolio, through the acquisition of business with limited overlap and high complementarity with the Group's existing U.S. operations, and low capital burden having stable revenues from fees.

(4) Date of business combination

February 7, 2020

(5) Legal form of business combination

Acquisition of shares for cash consideration

(6) Name of company post-combination

Privilege Underwriters, Inc.

(7) Ratio of voting rights acquired

100%

(8) Main grounds for decision as to the acquiring enterprise

As HCC Co. acquired 100% of Pure Co.'s voting rights and came to control the company, it is decided that HCC Co. is the acquiring enterprise.

2. Period of earnings for acquired company included in Consolidated Statement of Income

The financial statements of the acquired company as of February 7, 2020, the date of the business combination, are used for the preparation of the consolidated financial statements. The consolidated income statement does not include the earnings of the acquired company.

3. Acquisition cost of acquired company and breakdown by consideration type

Acquisition price cash	341,041 million yen
Acquisition cost	341,041 million yen

4. Description and amount of main acquisition-related costs

Advisory fees, etc. 2,310 million yen

5. Amount of goodwill accrued, reason for accrual, amortization method, and amortization period

(1) Amount of goodwill accrued

163,910 million yen

(2) Reason for accrual

Since the investment amount (reflecting future earnings expected as at the time of purchase) exceeds the net amount of the acquired assets and liabilities assumed, the difference is recognized as goodwill.

(3) Amortization method and amortization period for goodwill

Amortization over 15 years using the straight-line method.

6. Assets acquired and liabilities assumed on date of business combination and main breakdown of these

Total assets	372,980 million yen
(incl. securities	53,300 million yen)
(incl. intangible fixed assets	244,249 million yen)
Total liabilities	158,805 million yen
(incl. insurance contract reserves	45,980 million yen)
(incl. deferred tax liabilities	66,409 million yen)

7. The amount of acquisition costs allocated to intangible fixed assets other than goodwill, and the main breakdown and the average amortization periods of these

Amount allocated to intangible assets other than goodwill	242,639 million yen
(incl. value of the right to renew contract	111,751 million yen
amortization period 15 years)	
(incl. value of sales network	96,412 million yen
amortization period 15 years)	

8. Allocation of acquisition costs

Since the period from the business combination date to the end of the fiscal year 2019 is short and the allocation of acquisition costs has not been completed, the Company has adopted provisional accounting treatment.

9. The estimated amount and method of calculating the impact on the Consolidated Statement of Income for fiscal year 2019 assuming that the business combination was completed on the start date of fiscal year 2019

Ordinary income	58,750 million yen
Ordinary profit	(31,772 million yen)
Net profit attributable to owners of the parent	(22,966 million yen)

(Method of calculation of the estimated amount)

The estimated amount is the difference in amount as between the ordinary income, ordinary profit, and net income attributable to owners of the parent, calculated on the assumption that the business combination was completed on the start date of fiscal year 2019 and the ordinary income, ordinary

profit, and net income attributable to owners of the parent as set forth in the Consolidated Statement of Income. Also, the goodwill recognized at the time of the business combination is calculated as having accrued on the start date of fiscal year 2019 and the amortization amount thereof is calculated, and is included in the estimated amount.

The said impact amount has not received audit certification.

Non-consolidated Balance Sheet as of March 31, 2020

(Yen in millions)

	As of March 31, 2020
Assets	
Current assets:	51,759
Cash and bank deposits	13,322
Prepaid expenses	47
Accounts receivable	38,368
Others	21
Fixed assets:	2,338,150
Tangible fixed assets	250
Buildings	136
Motor vehicles and transport equipment	64
Office equipment	49
Intangible fixed assets	0
Telephone right	0
Investments and other assets	2,337,899
Investments in subsidiaries and affiliates	2,335,963
Deferred tax assets	1,715
Others	220
Total assets	2,389,910
Liabilities	
Current liabilities:	5,334
Accounts payable	2,626
Accrued expenses	1,042
Accrued income taxes	602
Accrued business office taxes	15
Accrued consumption taxes	440
Deposits received	7
Provision for employees' bonus	600
Fixed liabilities:	325
Reserve for retirement benefit	325
Total liabilities	5,659
Net assets	
Shareholders' equity:	2,381,704
Share capital	150,000
Capital surplus	1,511,485
Additional paid-in capital	1,511,485
Retained earnings	743,429
Other retained earnings	743,429
General reserve	332,275
Retained earnings carried forward	411,153
Treasury shares	(23,210)
Share acquisition rights	2,545
Total net assets	2,384,250
Total liabilities and net assets	2,389,910

Non-consolidated Statement of Income for fiscal year 2019

(Yen in millions)

	Year ended March 31, 2020 (April 1, 2019 to March 31, 2020)	
Operating income:		
Dividends received from subsidiaries and affiliates	183,163	
Fees received from subsidiaries and affiliates	20,733	
System use charge received from subsidiaries and affiliates	3,970	207,867
Operating expenses:		
Operating and general administrative expenses	22,230	22,230
Operating profit		185,637
Non-operating income:		
Interest income	0	
Gains on forfeiture of unclaimed dividends	54	
Office work fee	18	
Other non-operating income	19	92
Non-operating expenses:		
Transaction fee for repurchase of treasury shares	34	
Miscellaneous expenses	1	36
Ordinary profit		185,693
Extraordinary gains:		
Gains on sales of fixed assets	0	0
Extraordinary losses:		
Losses on sales of fixed assets	2	
Losses on disposal of fixed assets	0	2
Income before income taxes		185,691
Income taxes-current	1,514	
Income taxes-deferred	(1,715)	(200)
Net income		185,892

Non-consolidated Statement of Changes in Shareholders' Equity

Fiscal year 2019 (April 1, 2019 to March 31, 2020)

(Yen in millions)

	Shareholders' equity						
	Share capital	Capital surplus		Retained earnings		Treasury shares	Total shareholders' equity
		Additional paid-in capital	Others	Other retained earnings			
				General reserve	Retained earnings carried forward		
Beginning balance	150,000	1,511,485	-	332,275	425,428	(18,299)	2,400,889
Changes during the year							
Dividends					(154,882)		(154,882)
Net income					185,892		185,892
Purchase of treasury shares						(50,940)	(50,940)
Disposal of treasury shares			(321)			1,066	744
Retirement of treasury shares			(44,962)			44,962	-
Transfer from retained earnings to capital surplus			45,284		(45,284)		-
Net changes in items other than shareholders' equity							
Total changes during the year	-	-	-	-	(14,274)	(4,910)	(19,185)
Ending balance	150,000	1,511,485	-	332,275	411,153	(23,210)	2,381,704

	Share acquisition rights	Total net assets
Beginning balance	2,479	2,403,369
Changes during the year		
Dividends		(154,882)
Net income		185,892
Purchase of treasury shares		(50,490)
Disposal of treasury shares		744
Retirement of treasury shares		-
Transfer from retained earnings to capital surplus		-
Net changes in items other than shareholders' equity	66	66
Total changes during the year	66	(19,118)
Ending balance	2,545	2,384,250

Notes to Non-consolidated Financial Statements

Significant accounting policies

1. Valuation of securities

Investments in subsidiaries are stated at cost determined by the moving-average method.

2. Depreciation for fixed assets

Depreciation of tangible fixed assets is computed using the straight-line method.

The principal useful lives are as follows:

Fixtures attached to buildings	8 to 18 years
Equipment and furniture	3 to 15 years

3. Reserve

(1) To provide for payment of bonus to employees, the Company maintains a reserve for employees' bonus based on the expected amount to be paid.

(2) To provide for employees' retirement benefit payment, the Company maintains a reserve for employee's retirement benefits equal to the amount deemed to have incurred as of the end of fiscal year 2019

4. Consumption taxes

Consumption taxes and local consumption taxes are accounted for by the tax-excluded method.

Notes to the non-consolidated balance sheet

1. Accumulated depreciation of tangible fixed assets: 393 million yen

2. Monetary claims against and debts owed to affiliates:

Short-term monetary claims receivable	2,083 million yen
Short-term debts payable	574 million yen

Notes to the non-consolidated statement of income

Transactions with affiliates:

Operating transactions

Operating income 207,867 million yen

Operating expenses 2,333 million yen

Transactions other than operating transactions 35 million yen

Notes to the statement of changes in shareholders' equity

Class and number of treasury shares held by the Company as of March 31, 2020:

Common share 4,129,635 shares

Deferred tax accounting

Major components of deferred tax assets:

<hr/>	
Deferred tax assets	
<hr/>	
Impairment losses on investment in subsidiaries and affiliates	42,434 million yen
Others	2,222 million yen
<hr/>	
Subtotal	44,657 million yen
Valuation allowance	(42,942) million yen
<hr/>	
Total deferred tax assets	1,715 million yen
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Net deferred tax assets	1,715 million yen
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Per share information

Net assets per share 3,412.81 yen
Net income per share 264.59 yen

Copy of Independent Auditor's Report on Consolidated Financial Statements

[English Translation]

Independent Auditor's Report

May 18, 2020

To the Board of Directors

Tokio Marine Holdings, Inc.

PricewaterhouseCoopers Aarata LLC
Tokyo Office

Masahiko Nara, CPA
Designated Limited Liability Partner
and Engagement Partner
Takashi Idesawa, CPA
Designated Limited Liability Partner
and Engagement Partner
Yuko Harada, CPA
Designated Limited Liability Partner
and Engagement Partner

Audit opinion

We have audited, in accordance with Article 444, paragraph 4 of the Companies Act of Japan, the consolidated financial statements of Tokio Marine Holdings, Inc. (the "Company") for the fiscal year that began on April 1, 2019 and ended on March 31, 2020. These financial statements consist of a consolidated balance sheet, a consolidated statement of income, a consolidated statement of changes in shareholders' equity and notes to consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Company and its consolidated subsidiaries for the periods to which they relate, in conformity with accounting principles generally accepted in Japan.

Basis for opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under the auditing standards are further described in the "Responsibilities of the auditor in auditing consolidated financial statements" section of this report. We are independent of the Company and its consolidated subsidiaries and fulfill our other ethical responsibilities in accordance with the provisions on professional ethics in Japan. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management, the Audit & Supervisory Board members, and the Audit & Supervisory Board for the consolidated financial statements

Management is responsible for the preparation and fair presentation of consolidated financial statements in accordance with accounting principles generally accepted in Japan. This includes establishing and implementing such internal control as management determines is necessary for the preparation and fair presentation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for evaluating

whether it is appropriate to use the going concern basis of accounting to prepare the consolidated financial statements, and for disclosing matters related to going concern when it is necessary to do so in accordance with accounting principles generally accepted in Japan.

The Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the directors' execution of their duties in the establishment and implementation of financial reporting processes.

Responsibilities of the auditors in auditing the consolidated financial statements

The auditors are responsible for, based on an audit performed by the auditors, obtaining reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and issuing an auditor's report that expresses the auditors' independent opinion on the consolidated financial statements. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to affect the decision-making of users of the consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, the auditors exercise professional judgment throughout the audit process and maintain professional skepticism, in performing the following:

- Identify and evaluate the risks of material misstatement due to fraud or error. Design and implement audit procedures to address these risks. The selection and application of audit procedures is based on the judgment of the auditors. In addition, obtain audit evidence that is sufficient and appropriate to provide a basis for the opinion.
- The audit of the consolidated financial statements is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, in making the risk assessments, the auditors consider internal control insofar as it is relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of the accounting policies adopted and the application thereof by management, and the reasonableness of the accounting estimates and the related notes made by management.
- Conclude on whether it is appropriate for management to use the going concern basis of accounting to prepare the consolidated financial statements, and whether, based on the audit evidence obtained, material uncertainty exists with respect to events or conditions that may cast significant doubt on the use of the going concern basis of accounting for the enterprise. If the auditors conclude that material uncertainty exists, they are required to bring attention in the auditor's report to the notes to the consolidated financial statements, or if the notes to the consolidated financial statements regarding material uncertainty are not appropriate, the auditors are required to modify their opinion. The auditors' conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the enterprise to cease to continue as a going concern.
- Evaluate whether the representations and notes in the consolidated financial statements are presented in accordance with accounting principles generally accepted in Japan, and whether the representations, structure, and content of the consolidated financial statements, including the related notes, and the transactions and accounting events on which the consolidated financial statements are based are fairly presented.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries to express an opinion on the consolidated financial statements. The auditors are responsible for the direction, supervision, and implementation of the audit of the consolidated financial statements. The auditors are solely responsible for the audit opinion.

The auditors report to the Audit & Supervisory Board members and the Audit & Supervisory

Board regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit, and other matters required by the audit standards.

The auditors report to the Audit & Supervisory Board members and the Audit & Supervisory Board the fact that they have complied with the provisions on professional ethics in Japan regarding independence, matters that may reasonably be thought to bear on the independence of the auditors, and if safeguards are implemented to eliminate or mitigate threats to independence, the content thereof.

Conflict of interest

Our firm and engagement partners do not have any interest in the Company or any of its consolidated subsidiaries that is required to be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

Copy of Independent Auditor's Report on Non-consolidated Financial Statements

[English Translation]

Independent Auditor's Report

May 18, 2020

To the Board of Directors
Tokio Marine Holdings, Inc.

PricewaterhouseCoopers Aarata LLC
Tokyo Office
Masahiko Nara, CPA
Designated Limited Liability Partner
and Engagement Partner
Takashi Idesawa, CPA
Designated Limited Liability Partner
and Engagement Partner
Yuko Harada, CPA
Designated Limited Liability Partner
and Engagement Partner

We have audited, in accordance with Article 436, paragraph 2, item 1 of the Companies Act of Japan, the non-consolidated financial statements of Tokio Marine Holdings, Inc. (the "Company") for its 18th fiscal year that began on April 1, 2019 and ended on March 31, 2020. These financial statements consist of a non-consolidated balance sheet, a non-consolidated statement of income, a non-consolidated statement of changes in shareholders' equity, notes to non-consolidated financial statements, and supplementary schedules (non-consolidated financial statements, etc.).

In our opinion, the non-consolidated financial statements, etc. referred to above present fairly, in all material respects, the financial position and results of operations of the Company for the periods to which they relate, in conformity with accounting principles generally accepted in Japan.

Basis for opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under the auditing standards are further described in the "Responsibilities of the auditor in auditing non-consolidated financial statements, etc." section of this report. We are independent of the Company and fulfill our other ethical responsibilities in accordance with the provisions on professional ethics in Japan. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management, the Audit & Supervisory Board members, and the Audit & Supervisory Board for the non-consolidated financial statements, etc.

Management is responsible for the preparation and fair presentation of non-consolidated financial statements, etc. in accordance with accounting principles generally accepted in Japan. This includes establishing and implementing such internal control as management determines is necessary for the preparation and fair presentation of non-consolidated financial statements, etc. that are free of material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, etc., management is responsible for evaluating whether it is appropriate to use the going concern basis of accounting to prepare the non-consolidated financial statements, etc., and for disclosing matters related to going concern

when it is necessary to do so in accordance with accounting principles generally accepted in Japan.

The Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the directors' execution of their duties in the establishment and implementation of financial reporting processes.

Responsibilities of the auditors in auditing the non-consolidated financial statements, etc.

The auditors are responsible for, based on an audit performed by the auditors, obtaining reasonable assurance about whether the non-consolidated financial statements, etc. as a whole are free from material misstatement, whether due to fraud or error, and issuing an auditor's report that expresses the auditors' independent opinion on the non-consolidated financial statements, etc. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to affect the decision-making of users of the non-consolidated financial statements, etc.

In accordance with auditing standards generally accepted in Japan, the auditors exercise professional judgment throughout the audit process and maintain professional skepticism, in performing the following:

- Identify and evaluate the risks of material misstatement due to fraud or error. Design and implement audit procedures to address these risks. The selection and application of audit procedures is based on the judgment of the auditors. In addition, obtain audit evidence that is sufficient and appropriate to provide a basis for the opinion.
- The audit of the non-consolidated financial statements, etc. is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, in making the risk assessments, the auditors consider internal control insofar as it is relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of the accounting policies adopted and the application thereof by management, and the reasonableness of the accounting estimates and the related notes made by management.
- Conclude on whether it is appropriate for management to use the going concern basis of accounting to prepare the non-consolidated financial statements, etc. and whether, based on the audit evidence obtained, material uncertainty exists with respect to events or conditions that may cast significant doubt on the use of the going concern basis of accounting for the enterprise. If the auditors conclude that material uncertainty exists, they are required to bring attention in the auditor's report to the notes to the non-consolidated financial statements, etc., or if the notes to the non-consolidated financial statements, etc. regarding material uncertainty are not appropriate, the auditors are required to modify their opinion. The auditors' conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the enterprise to cease to continue as a going concern.
- Evaluate whether the representations and notes in the non-consolidated financial statements, etc. are presented in accordance with accounting principles generally accepted in Japan, and whether the representations, structure, and content of the non-consolidated financial statements, etc., including the related notes, and the transactions and accounting events on which the non-consolidated financial statements, etc. are based are fairly presented.

The auditors report to the Audit & Supervisory Board members and the Audit & Supervisory Board regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit, and other matters required by the audit standards.

The auditors report to the Audit & Supervisory Board members and the Audit & Supervisory Board the fact that they have complied with the provisions on professional ethics in Japan regarding independence, matters that may reasonably be thought to bear on the independence of

the auditors, and if safeguards are implemented to eliminate or mitigate threats to independence, the content thereof.

Conflict of interest

Our firm and engagement partners do not have any interest in the Company that is required to be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

Copy of the Audit Report of the Audit & Supervisory Board

Audit Report

Based on the audit reports received from each audit & supervisory board member relating to the performance by the Company's directors of their duties during the fiscal year that began on April 1, 2019 and ended on March 31, 2020 and after consultations amongst our members, we, the undersigned Audit & Supervisory Board, report as follows:

1. Details of the Methodology of the Audit Performed by Audit & Supervisory Board Members

- (1) The Audit & Supervisory Board, which has set the auditing policies, the auditing schedules and related matters, received from each audit & supervisory board member audit reports detailing their performance of the audits and the results thereof and the results thereof. The Audit & Supervisory Board also received from each of the Company's directors and the Company's independent auditor reports detailing the performance of their duties and asked for further explanation whenever necessary.
- (2) Each audit & supervisory board member, pursuant to the auditing standards, the auditing policies and the auditing schedules set by the Audit & Supervisory Board, maintained good communications with directors, the internal audit department and other employees; committed himself or herself to gathering information and improving the circumstances of the audit; and conducted the audits based on the methods described below.
 - (a) Each audit & supervisory board member attended meetings of the Board of Directors and other important meetings; received reports detailing the performance of their duties from directors and other employees; asked for further explanations whenever necessary and inspected important decision-making documents and thereby investigated the Company's business activities and financial position. As for subsidiaries of the Company, each audit & supervisory board member maintained good communications and facilitated information sharing with directors, audit & supervisory board members, the internal audit department and other employees of the subsidiaries and received reports regarding the business activities of the subsidiaries whenever necessary.
 - (b) Pursuant to the auditing standards set by the Audit & Supervisory Board for audit of the internal control system, each audit & supervisory board member examined the details of the resolution of the meeting of the Board of Directors concerning (i) a governance framework to ensure that the directors' performance of their duties are carried out in conformity with the laws and the Articles of Incorporation; and (ii) any other governance framework to ensure appropriate business operations of the company group comprised of a joint stock company and its subsidiaries, as set forth in Article 100, paragraphs 1 and 3 of the Enforcement Regulations of the Companies Act of Japan. Each audit & supervisory board member also monitored and examined the governance framework (internal control system) which was implemented by the Board of Directors based on the aforementioned resolution.
 - (c) Concerning the internal control over financial reporting, each audit & supervisory board member received from directors and PricewaterhouseCoopers Aarata LLC reports regarding the results of the assessment and audit of the internal control over financial reporting and asked for further explanations whenever necessary.

- (d) Each audit & supervisory board member monitored and examined the independent auditor regarding whether it was maintaining its independence and appropriately performing audits; received reports detailing the performance of its duties; and asked for further explanations whenever necessary. Each audit & supervisory board member received a notice from the Company's independent auditor stating that "a framework to ensure that independent auditors' performance of duties are carried out properly" (consisting of matters enumerated in the items of Article 131 of the Regulations for Financial Statements of Corporations) is established pursuant to "Quality Management Standards Regarding Audits" (Corporate Accounting Council, October 28, 2005) and addressing other standards concerned, and asked for further explanations whenever necessary.

Based on the methodology of the audit described above, we examined the business report and the supplementary schedules, the non-consolidated financial statements (balance sheet, statement of income, statement of changes in shareholders' equity and notes thereto) and the supplementary schedules thereto, and the consolidated financial statements (balance sheet, statement of income, statement of changes in shareholders' equity and notes thereto) for fiscal year 2018.

2. Results of Audit

(1) Results of the audit of the business report and other matters

- (a) We found the business report and the supplementary schedules to present fairly the state of the Company in accordance with applicable laws and regulations and the Articles of Incorporation of the Company.
- (b) In connection with the performance by directors of their duties, we found no dishonest act or material fact of violation of applicable laws, regulations or the Articles of Incorporation of the Company.
- (c) We found the resolution of the meeting of the Board of Directors with respect to the internal control system to be appropriate. In addition, we have nothing to report on the directors' performance of their duties in connection with the internal control system, including the internal control over the financial reporting.

(2) Results of the audit of the non-consolidated financial statements and the supplementary schedules thereto

We found the methodologies and the results of the audit conducted by the independent auditors, PricewaterhouseCoopers Aarata LLC, to be appropriate.

(3) Results of the audit of the consolidated financial statement

We found the methodologies and the results of the audit conducted by the independent auditors, PricewaterhouseCoopers Aarata LLC, to be appropriate.

May 19 2020

Audit & Supervisory Board,
Tokio Marine Holdings, Inc.

Takashi Ito, Audit & Supervisory Board Member (full-time)
Shozo Mori, Audit & Supervisory Board Member (full-time)
Akinari Horii, Audit & Supervisory Board Member
Akihiro Wani, Audit & Supervisory Board Member
Nana Otsuki, Audit & Supervisory Board Member

Note: Mr. Akinari Horii, Mr. Akihiro Wani and Ms. Nana Otsuki are the outside audit & supervisory board members, fulfilling the position prescribed by Article 2, item 16 of the Companies Act of Japan.