



Tokio Marine Holdings

To Be a Good Company

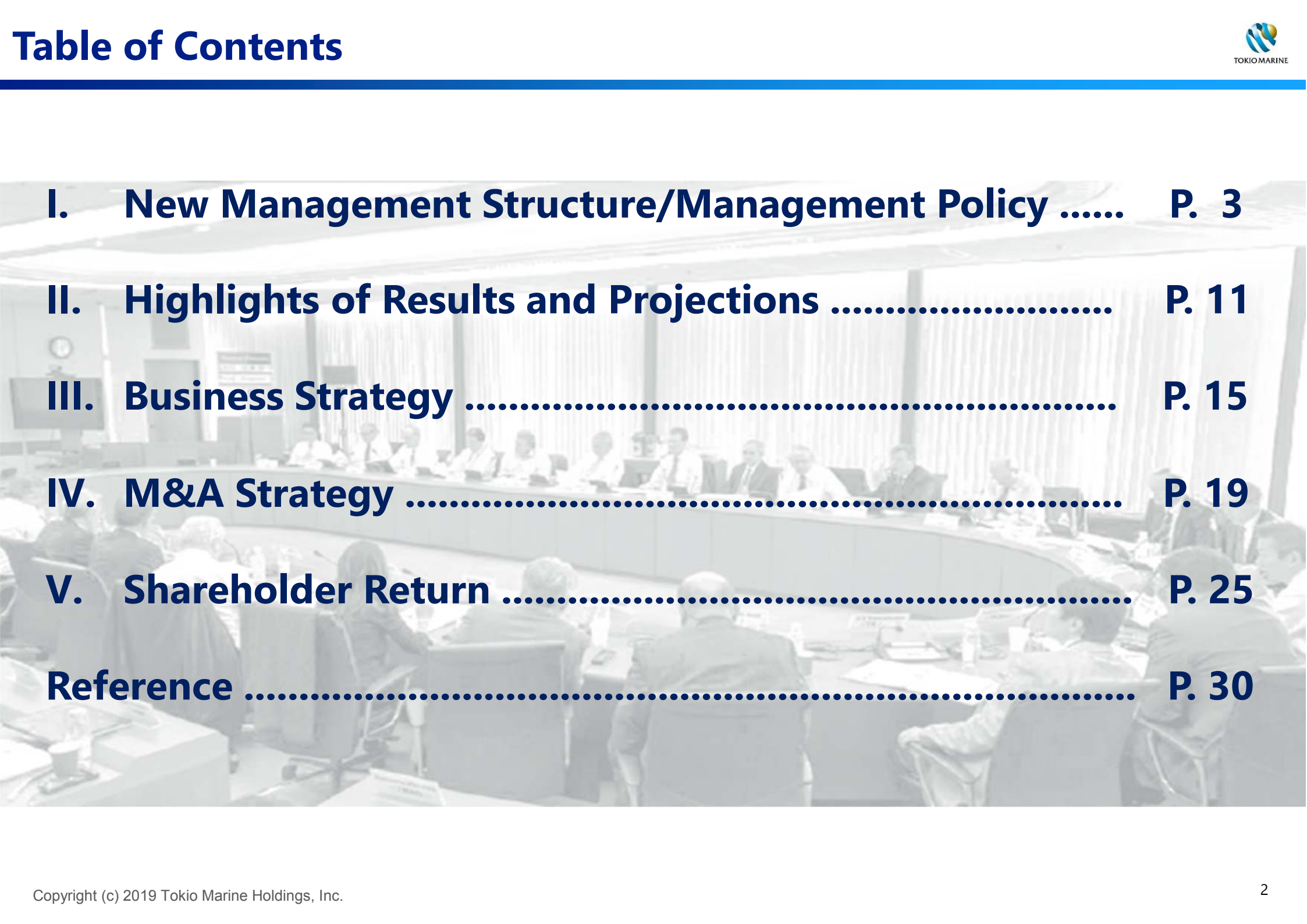
Tokio Marine Group Business Strategy

November 25, 2019



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New Management Structure

**Our new management team consists of members who have supported our track record to date.
We will continue promoting an aligned group management on a global basis**



Group CEO
Group CCO (Group Chief Culture Officer)
Satoru Komiya

(Career Highlights)

Appointed to the current positions in June 2019 having worked in domestic insurance sales, HR planning, sales planning, management of subsidiaries, and as the head of overseas businesses, among other positions.

Domestic Non-life Insurance



President & CEO
Tokio Marine & Nichido
Shinichi Hirose

Domestic Life Insurance



President & CEO
Tokio Marine & Nichido Life
Katsumi Nakazato

International Insurance



Co-Head of International Business
Akira Harashima



Co-Head of International Business
Christopher Williams

Capital Strategy



Group CFO
Takayuki Yuasa

Strategy & Synergy / Digital Strategy



Group CSSO
Group CDO
Makoto Okada

Investment



Group CIO
Hirokazu Fujita



Group Co-CIO
Donald Sherman

Underwriting / Retention Strategy



Group CRSO
Shingo Kawaguchi



Group Co-CRSO
Christopher Williams

Risk Management



Group CRO
Kenji Okada

Our Goal and Strategy

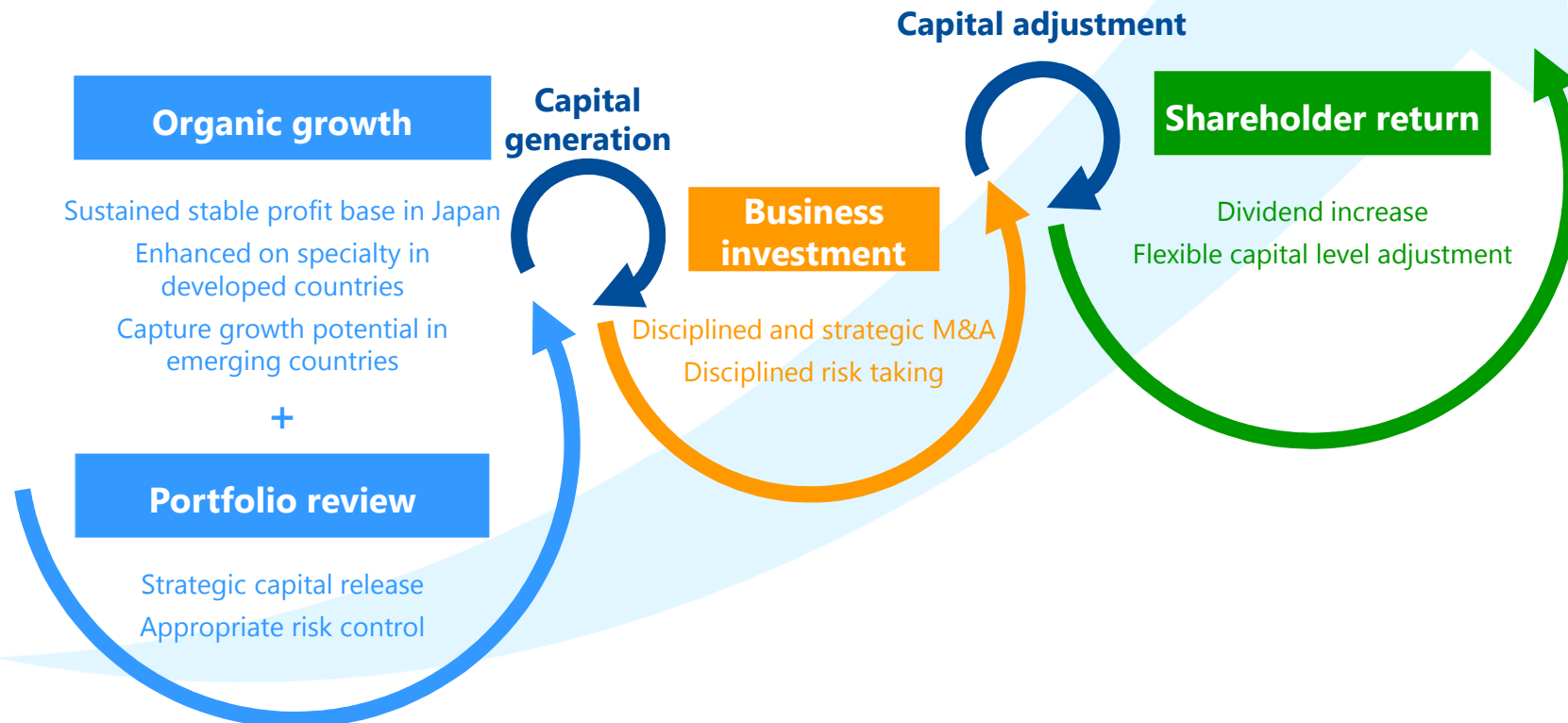
Continue the existing management strategy and turn the cycle at a faster speed

Our Goal

A global insurance group delivering attractive value to all stakeholders

Stable double-digit ROE

High-level shareholder return



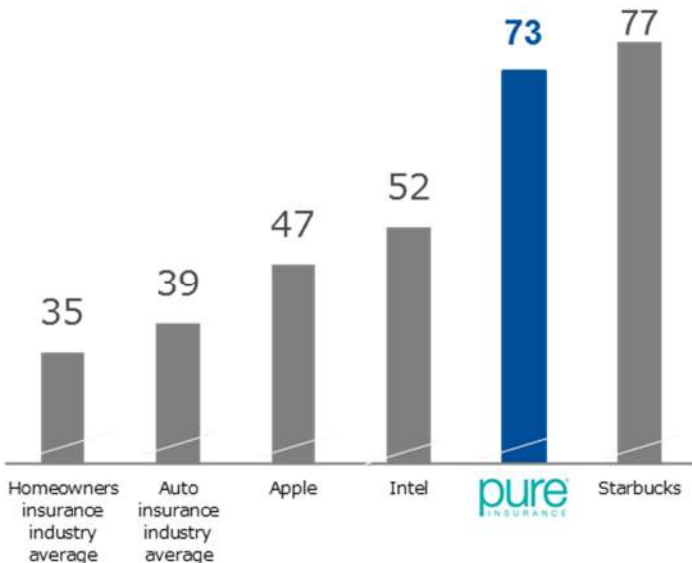
Acquisition of Pure Group (1)

Acquisition of the Pure Group in alignment with our M&A strategy and criteria

Solid business model

- Provided customized value added services and set highly segmented risk based pricing

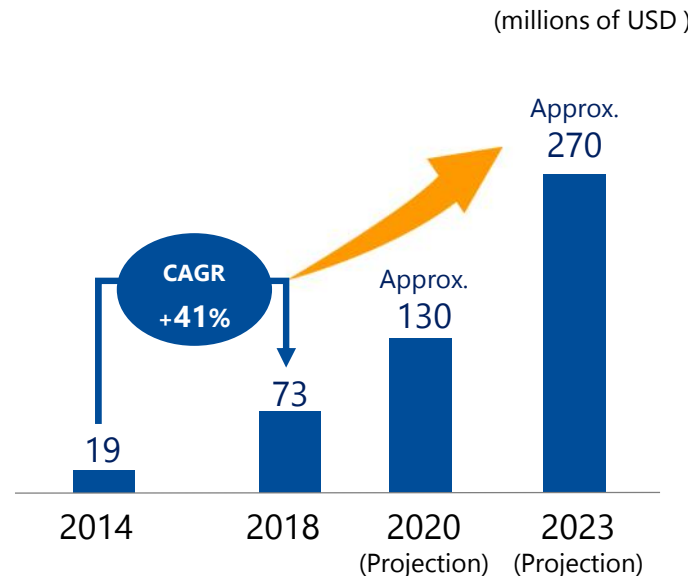
Customer satisfaction (Net Promoter Score*1)



Strong profitability

- Established stable fee-based profit stream with a focus on the HNW*2 insurance market

Before-tax profit



Cultural fit

- A management team that shares our values and has extensive knowledge and experience

Management philosophy/CEO

A management philosophy similar to ours such as "Do the right things" and "Think about the long-term"



Ross Buchmueller
(Founder, President & CEO)

- Over 30 years' experience in HNW insurance business
- Launched AIG's HNW insurance segment

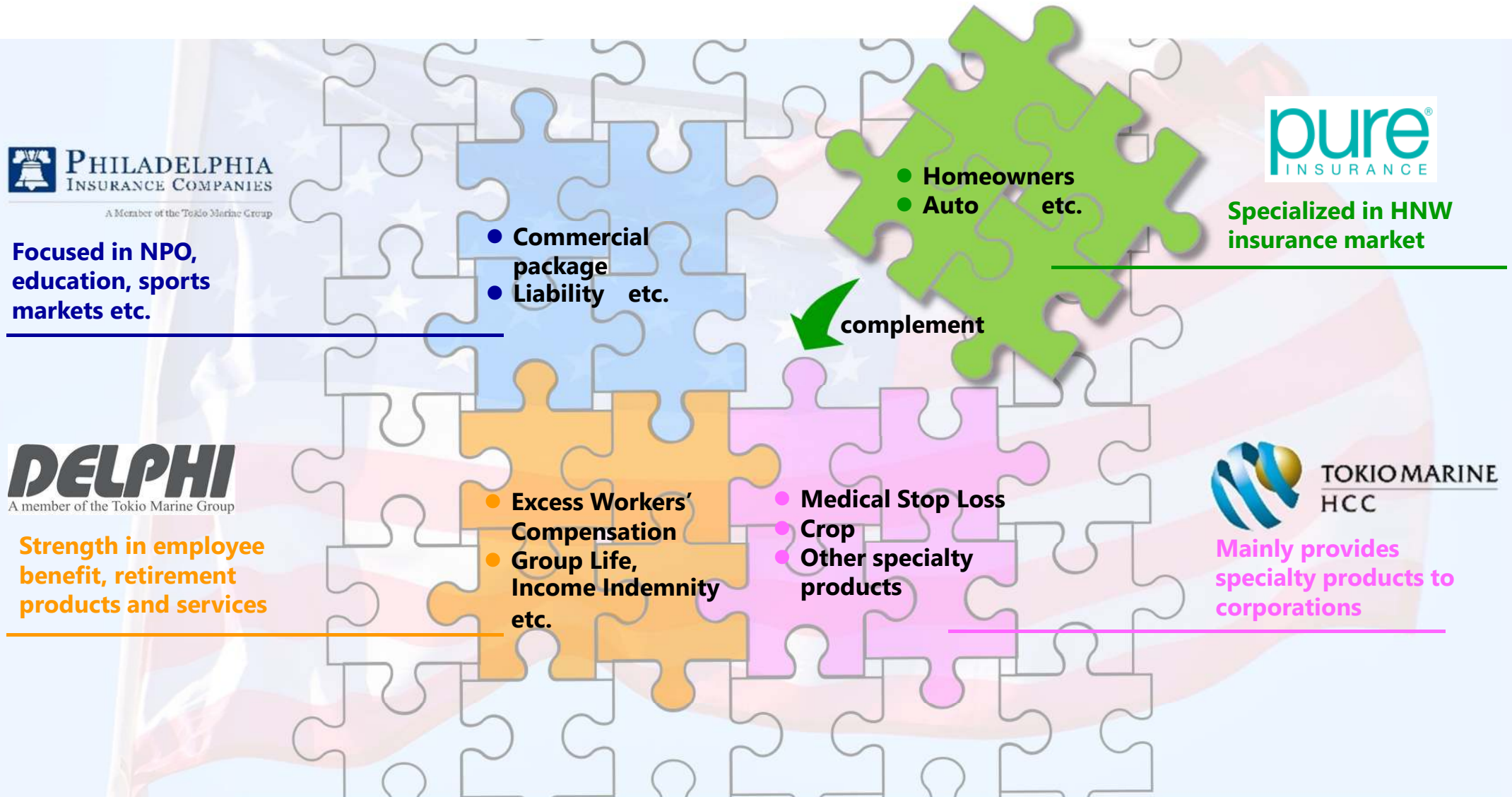
*1: An index quantifying customer loyalty from -100 to 100 (whether a customer recommends a company's products or services to their acquaintances).

Source: Customer GURU, NICE Satmetrix 2019 Consumer Net Promoter Benchmark Study

*2: HNW stands for High Net Worth.

Acquisition of Pure Group (2)

Highly complementary business portfolio with limited overlaps

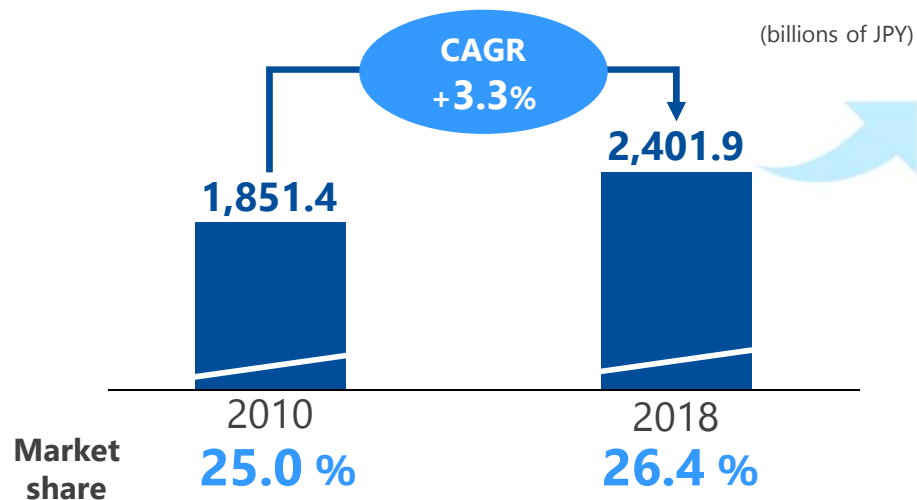


Tokio Marine Group's Growth Track Record

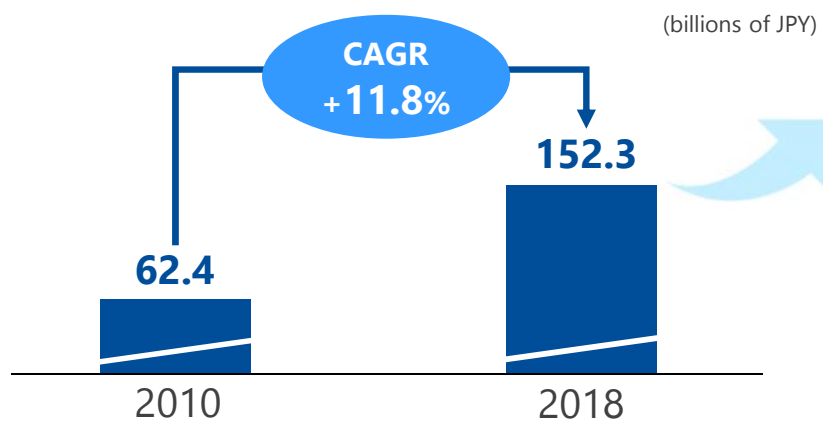
We have enhanced our capabilities through a stable domestic profits base and growth overseas which include M&As

Japan

■ Direct net premiums written (TMNF)

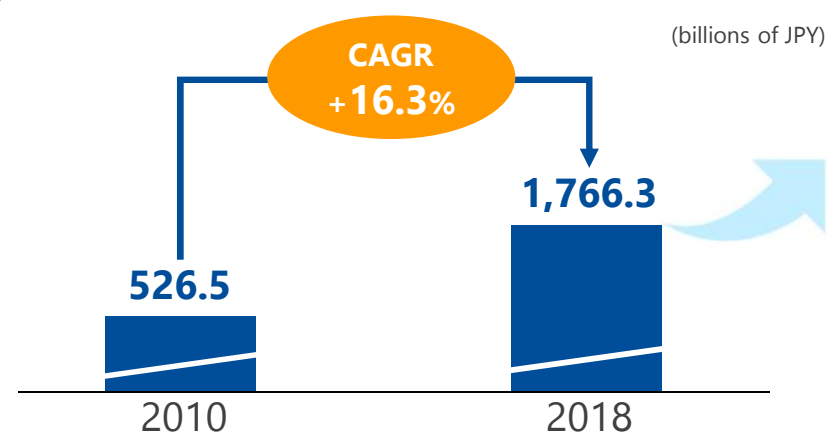


■ Business unit profits* (TMNF)

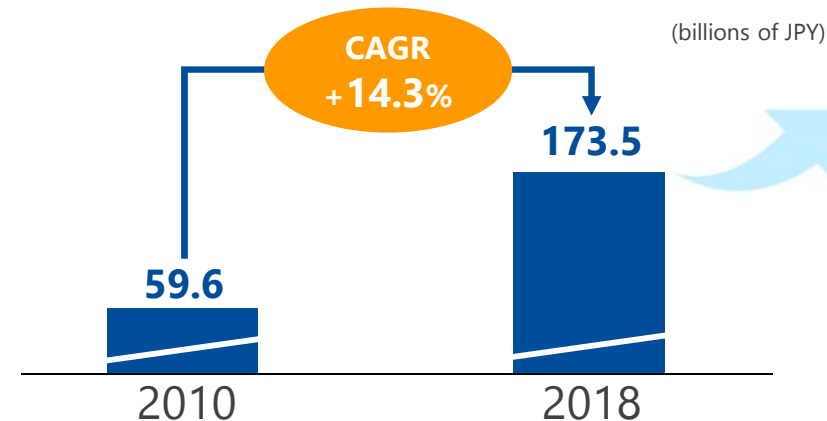


Overseas

■ Net premiums written



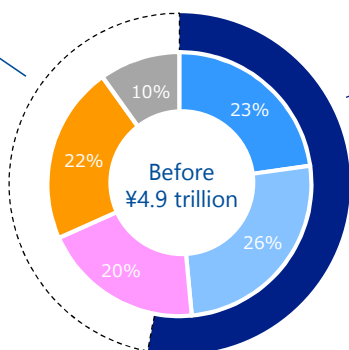
■ Business unit profits*



Portfolio Diversification

Risk diversification

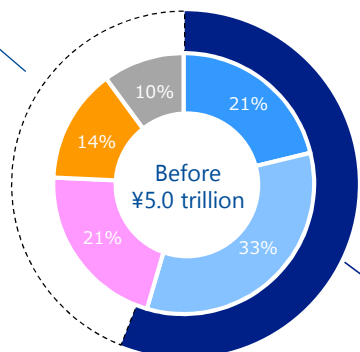
FY2018 Diversification effects **47%**



Risk after diversification
¥2.6 trillion

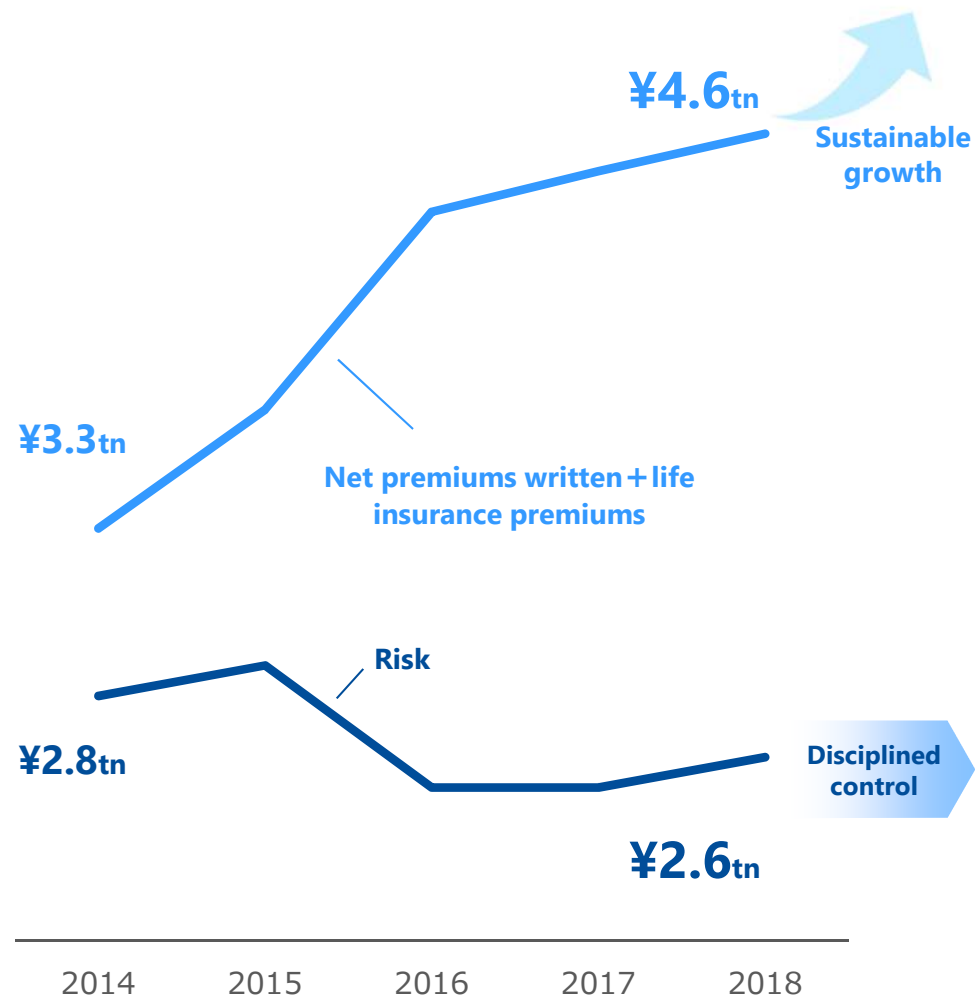
- **Domestic non-life (underwriting)**
Control of nat-cat risk
- **Domestic non-life (Investment)**
Reduction of business-related equities risk
- **Domestic life**
Control of interest rate risks
Shift to protection-type products
- **International insurance**
Diversification improvements with business expansion

FY2014 Diversification effects **44%**



Risk after diversification
¥2.8 trillion

Trends of premiums and risk*

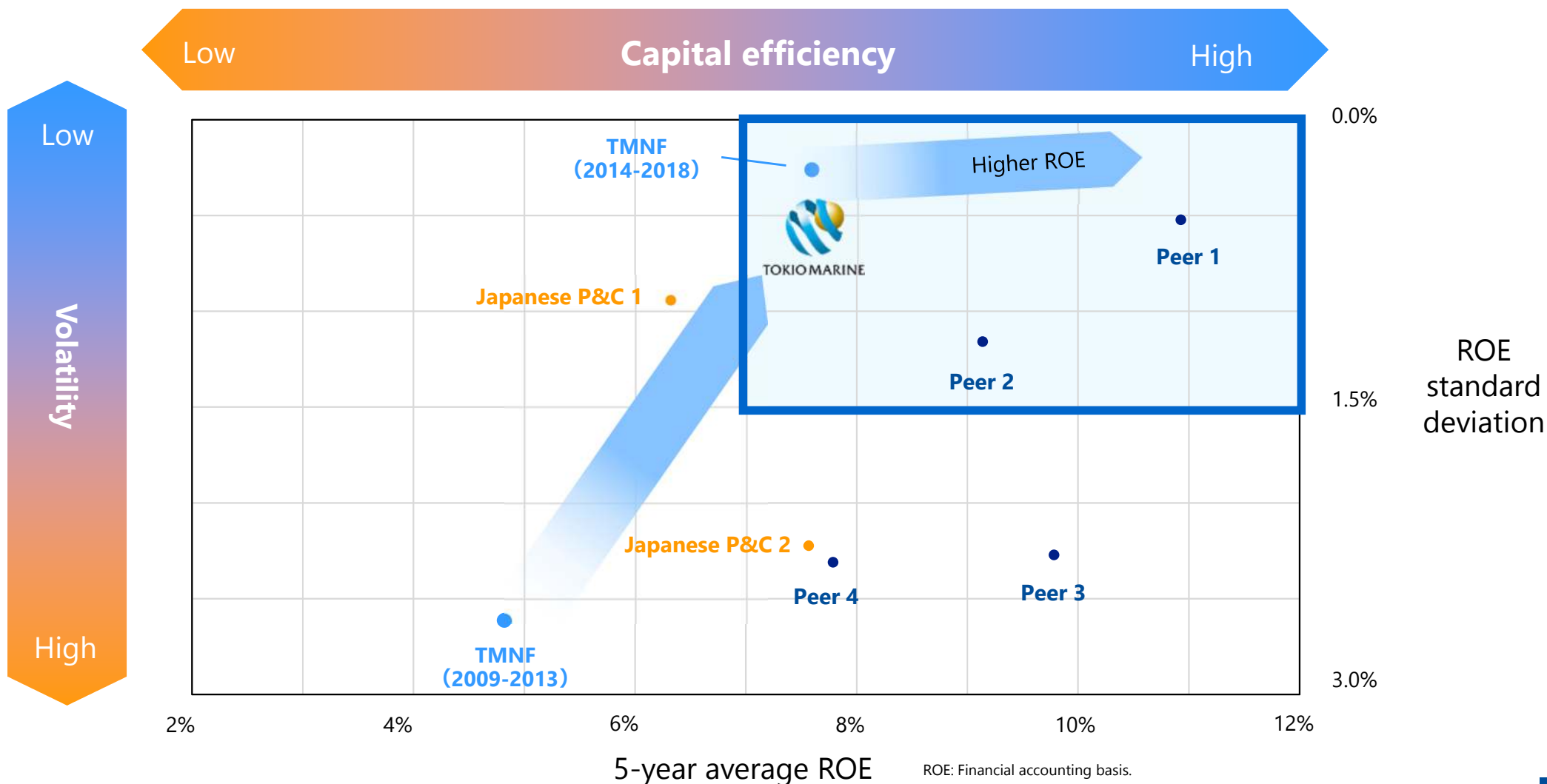


* : ESR risk (99.95%VaR, after tax basis)

■ Others: Financial and General businesses, FX risk derived from net capital investments, etc.

Stable Business Platform

- We have increased ROE by enhancing profitability and risk diversification through large-scale M&As in the U.S. and Europe
- We will endeavor to further increase ROE towards our goal



ROE: Financial accounting basis.
 Figures for other companies are 2014-2018 averages. Peers: Allianz, AXA, Chubb, Zurich.
 Source: Bloomberg

Maturing of Management Strategy for Further Growth

Build a *flexible* and *resilient* company to keep improving corporate value in the fast-changing environment

Activate people and organizations



▶ Further promotion of an aligned group management for an organization capable of transformation and enhancement of our competitiveness

Communication

Share front-line, ground-level information in a speedy manner within the Group

Challenging Spirit

Nurture a corporate culture which takes on challenges without fear of failure

Diversity & Inclusion

Enhance expertise while also respecting diversity in the Group

Enhance functions and further globalize management



▶ Utilize the excellent human resources and expertise on a global basis

Appointed overseas executives as Group Co-Head



● **Group Co-CIO**
Donald Sherman



● **Group Co-CRSO**
● **Co-Head of International Business**
Christopher Williams

Enhance global committees and utilize overseas personnel worldwide

ERM Committee

GISC (Investment)

IEC
(International Insurance)

GITC (IT)

GRSC (Underwriting)

Rigorously use technologies



▶ Promote R&D to maximize values delivered to our customers

[Major R&D examples]

• **Simple and speedy insurance claims payments to enable a pleasant CX** using Metromile's state-of-the-art digital technology

Improve CX

Operational efficiency

• **Prompt and thorough insurance claims payments** by quickly identifying flooded areas using Orbital Insight's satellite image analysis technology

Improve CX

Operational efficiency

• **Offer the optimal insurance product to each customer (AI Hoken)** using NTT DOCOMO's subscriber data (scheduled to start in December 2019)

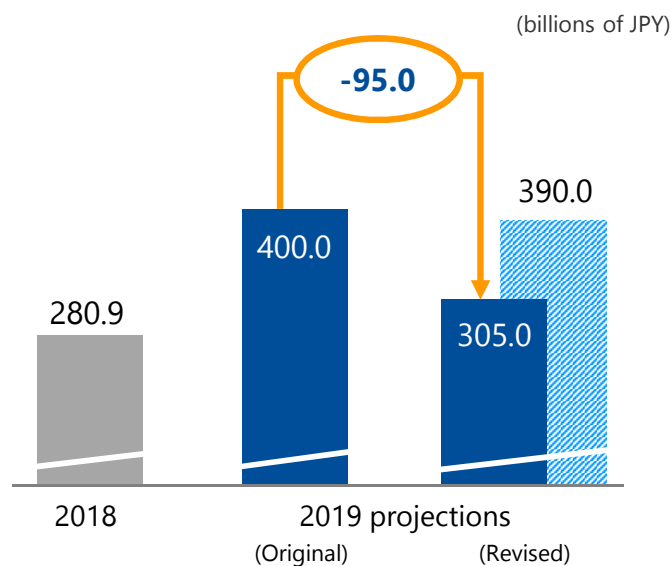
Improve CX

Upgrade insurance underwriting

FY2019 Full-Year Projections

Despite the downward revision from original projections, our revised projections are almost as projected excluding factors such as the increase in domestic natural catastrophes

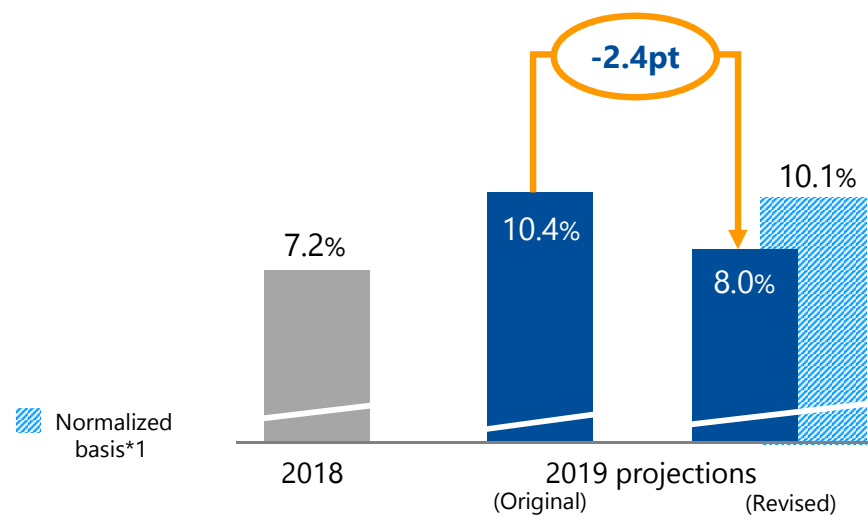
Adjusted net income



Net incurred losses relating to natural catastrophes (Business unit profits basis)

		2019 projections		
		2018	(Original)	(Revised)
Before tax	Domestic non-life	251.3	52.5	173.0
	International insurance	45.8	46.0	34.0
	Total	297.1	98.5	207.0
After tax*2	Domestic non-life	181.2	37.8	124.7
	International insurance	37.3	36.0	26.0
	Total	218.5	73.8	150.7

Adjusted ROE



□ Main downward revision factors for adjusted net income [after tax*2]

- Increase in net incurred losses relating to natural catastrophes (however decreased overseas) **Approx. -85.0bn yen**
- Deterioration in profits due to factors such as an increase in reserves resulting from social inflation **Approx. -16.0bn yen**

*1: Net incurred losses relating to natural catastrophes are normalized to an average annual level and the impact of reinstatement premiums is excluded. (Total: approximately 85.0bn yen)

*2: After-tax figures are estimates.

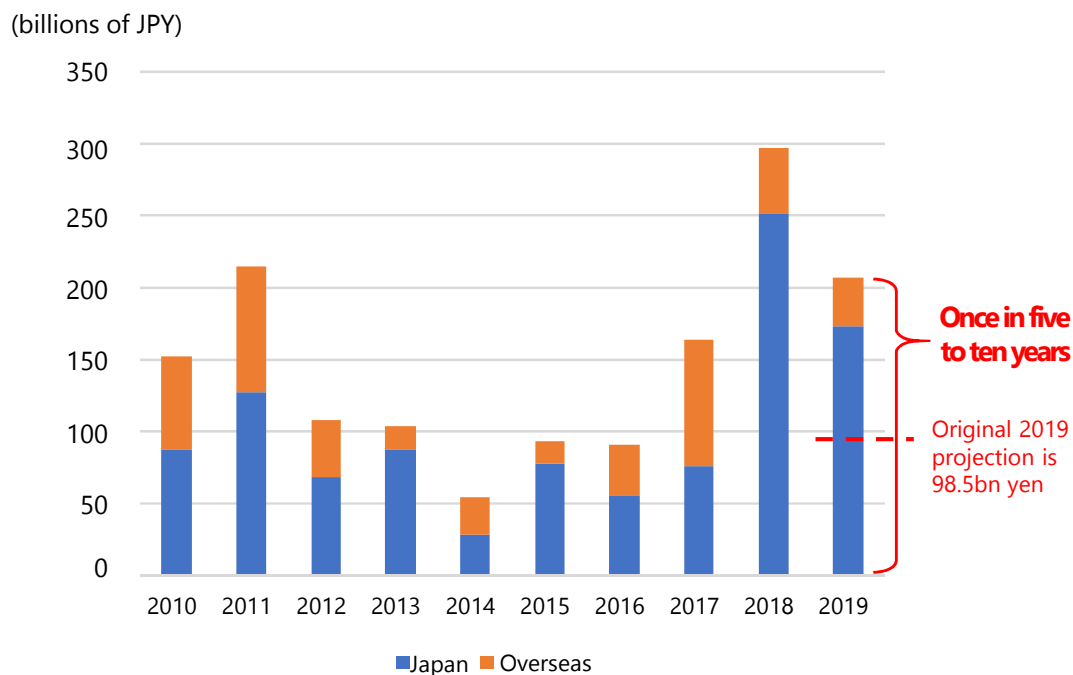
Response to Natural Catastrophe Risk

Further promotion of geographical and business diversification and steady rate increase of fire insurance

Our risk recognition

- The total of net incurred losses relating to natural catastrophes in domestic and overseas for FY2019 is estimated to reach levels expected **once in five to ten years**

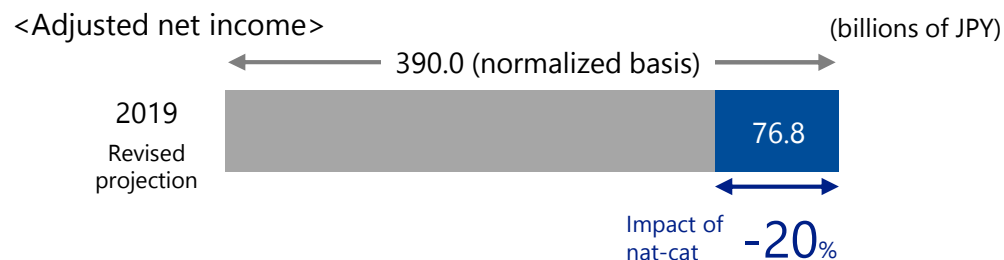
<Net incurred losses relating to natural catastrophes by year*>



*: Before tax (2017-2019 are on a business unit profits basis)

Global risk diversification

- Manage natural catastrophe risk on a global basis and **limit the impact on income to 20%**
- The complementary relationship between domestic and overseas** has proven effective and global diversification is key



Profitability improvement of fire insurance

- Implemented **rate increase, etc.** in October 2019 (effect of 16bn yen (before tax))
- Take action based on **the advisory rate revision (average +4.9%)** in FY2020 (plan)

Our Target KPIs

	FY2019 revised projections	FY2020 target	Mid-Term goal
Adjusted net income	¥390bn ^{*1}	¥400 - 450bn (CAGR 3 - 7%) ^{*2}	Over ¥500bn
Adjusted ROE	10.1% ^{*1}	10% or higher	Around 12%
Shareholder return			
Payout ratio ^{*3}	38%	35% or higher	Gradually increase to levels on par with global peers ^{*4}
Capital level adjustments	¥50 bn ^{*5} executed	Flexible execution	Flexible execution

*1: Net incurred losses relating to natural catastrophes are normalized to an average annual level and the impact of reinstatement premiums is excluded.

*2: CAGR calculated based on FY2017 normalized basis of 372bn yen.

Specifically, net incurred losses relating to natural catastrophes are normalized to an average annual level, and the impact of FX fluctuations and the one-time impact of U.S. tax reforms are excluded.

*3: Payout ratio is based on the five-year average adjusted net income. The figure for FY2019 is based on original projections.

*4: Payout ratio of global peers is currently approx. 50%.

*5: Includes a one-time dividend of approx. 25bn yen.

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Domestic Non-Life: Growth Track Record (TMNF)

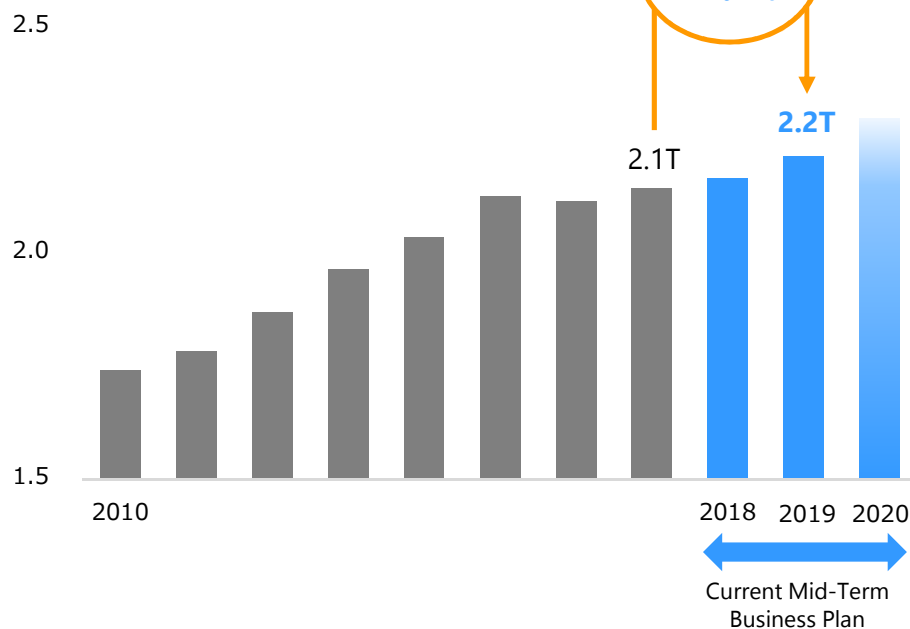
The top-line has grown faster than projected at a CAGR of 2.1%. While capturing continuous growth in auto insurance, steady progress is being made in specialty insurance and rate increases in anticipation of long-term market contraction of auto insurance

Growth exceeding plan

2020 plan CAGR: +1% or higher

<Net premiums written>

(trillions of JPY)



➤ Continued growth in auto insurance

<Auto insurance 2010 vs. 2018>

$$\begin{array}{l}
 \text{Premiums}^{*1} \\
 +25.2\%
 \end{array}
 =
 \begin{array}{l}
 \text{Number of vehicles} \\
 +12.5\%
 \end{array}
 \times
 \begin{array}{l}
 \text{Unit price} \\
 +11.3\%
 \end{array}$$

Market growth in the number of vehicles owned was +4.0%^{*2}

➤ Measures for specialty insurance to support sustainable and stable earnings (SME measures, etc.) are doing well

<Packaged insurance for SMEs 2010 vs. 2018>

$$\begin{array}{l}
 \text{Premiums}^{*1} \\
 +294.2\%
 \end{array}
 =
 \begin{array}{l}
 \text{Number of policies} \\
 +288.6\%
 \end{array}
 \times
 \begin{array}{l}
 \text{Unit price} \\
 +1.4\%
 \end{array}$$

➤ Realization of flexible rate increases

Timing	FY2019 ^{*3}	FY2020 (plan)
Auto	+26.0bn yen	
Fire	+16.0bn yen	Take action based on the advisory rate revision (average +4.9%)
P.A.	+1.5bn yen	

*1: On a managerial accounting basis.
*2: Source: Automobile Inspection & Registration Information Association

*3: Profit improvement effect from rate increases (based on a before-tax and fully paid basis). Offsets the negative impact of the consumption tax hike and the revision of the Law of Obligations (-38bn yen before tax and -28bn yen after tax).

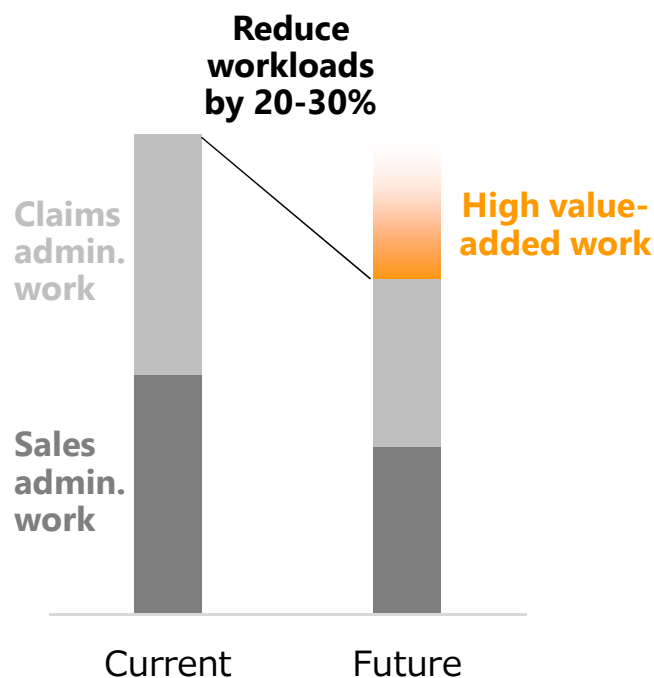
Domestic Non-Life: Strategy for Sustaining Stable Growth

Utilizing technology, reduce workloads by 20-30% in the long run. Reallocate the workforce or their time to expand the specialty insurance business which is expected to grow further and as a result, expect a lower expense ratio

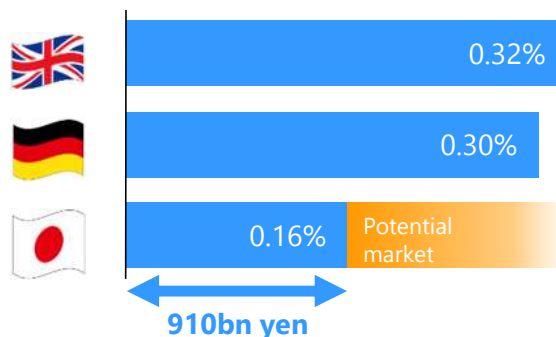
Reduce workloads

Specialty insurance expected to grow further

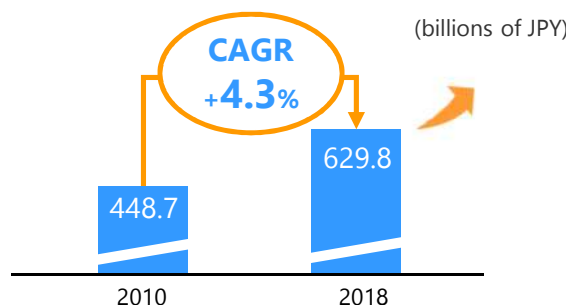
Reduction of expense ratio



<Penetration rate of liability/W.C. insurance*1 (2018)>



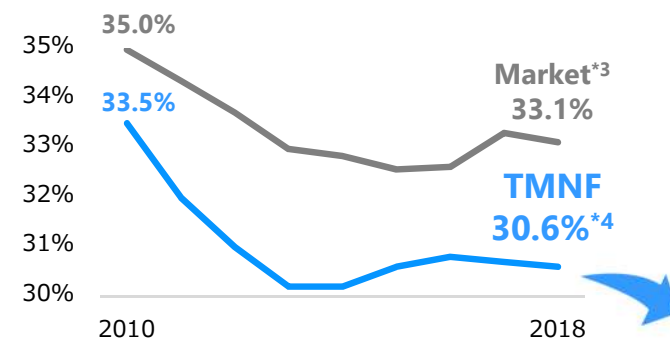
<Growth in specialty/P.A. insurance*2 (TMNF)>



*1: Direct premiums written for liability/workers' compensation insurance/GDP (FY2018)
 Source: Created by Tokio Marine based on Japan's commercial insurance market 2019 by Swiss Re Institute.
 *2: Direct net premiums written

$$\frac{\text{Business expenses} \downarrow}{\text{Premiums written} \uparrow} = \text{Expense ratio} \downarrow \downarrow$$

<Expense ratio of all lines of business>

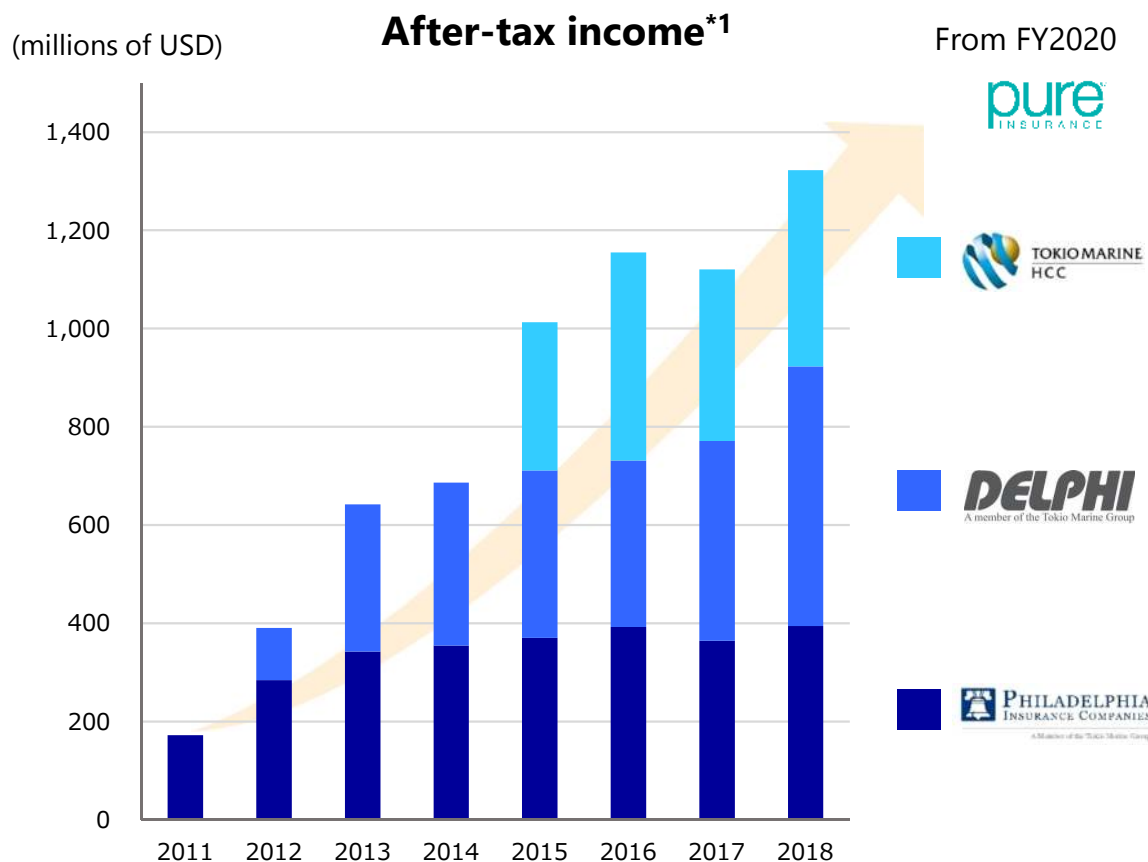


*3: Total members of the General Insurance Association of Japan (excl. TMNF)
 *4: TMNF's expense ratio for the first half of FY2019 was 29.9%.

Establishing Specialty Franchises in Developed Market

Achieve high growth exceeding the market by establishing profitable business model in the U.S.

Achieve sustainable profit growth



*1: Annual after-tax income on a local accounting basis.
For 2017, the one-time impact of U.S. tax reforms was excluded.

Establish a strong position



The U.S. commercial P&C direct premiums written in FY2018
(Source: S&P Global)

Strong growth and profitability*2

Top-line

CAGR +**6.1%**
Market comparison
+**0.4pt**

Combined ratio

FY2018 **96.1%**
Market comparison
3.2pt Favorable

*2: Top-line CAGR is based on net premiums written on a local currency basis between FY2015 and 2018.
Source for the market comparisons: S&P Global

Far-Reaching Business Expansion in Emerging Countries

Strategic expansion focusing on large markets with high growth potential

<Our major P&C business network in emerging countries>

India

- IFCO-TOKIO General Insurance

No. 9
M/S 4%

Thailand

- Tokio Marine Insurance (Thailand)
- Safety Insurance

No. 3
M/S 8%

Brazil

- Tokio Marine Seguradora

No. 5
M/S 5%

Growth which exceeds the market

- Growth rate of P&C insurance premiums^{*1} FY2018

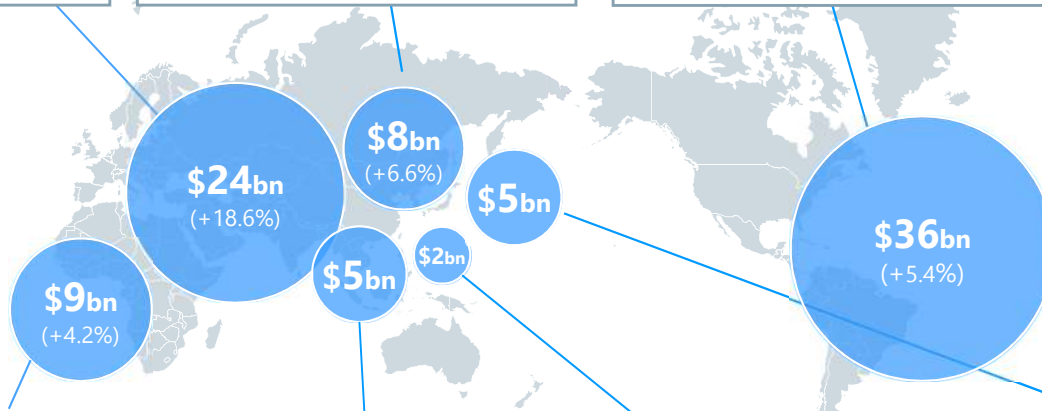
+11.9%
Impact of Safety acquisition

+8.4%
Organic growth, etc.

+7.1%
Emerging markets^{*3}

Tokio Marine Group in emerging countries^{*2}

*1: Growth rate in emerging countries (excl. developed countries in Asia and Oceania)
*2: Net premiums written (excludes FX impacts)
*3: Direct premiums written (Source: Swiss Re)



South Africa

- Hollard Holdings

No. 2
M/S 10%

Malaysia

- Tokio Marine Insurans (Malaysia)

No. 6
M/S 6%

Philippines

- Malayan Insurance

No. 1
M/S 11%

Indonesia

- PT Asuransi Tokio Marine Indonesia

No. 15
M/S 2%

Source: AXCO, SUSEP, Swiss Re, FSCA Financial Sector Conduct Authority.

Note: The figures in the circle are P&C insurance premiums in each country for FY2017. The size of the circle indicates market size. Figures in parenthesis are projected growth rates in 2018. (Source: Swiss Re)

Development of International Business

Established strong growth and profit diversification led by key cross-border M&A

2000

2007

2012

2015

2018

2019

(-2000)
Business
development
focused on
Japanese clients

**Expand into non-
Japanese businesses**

P&C in
emerging
markets

Life in
emerging
markets

Reinsurance
subsidiary



**Established
material presence in
the U.S. and Europe**

Kiln
Acquired
Mar 2008

**PHILADELPHIA
INSURANCE COMPANIES**
Acquired
Dec 2008

**Growth and business
diversification in the U.S.**

DELPHI
Acquired
May 2012

HCC
Acquired
Oct 2015

**Capture growth in
emerging markets**

**safety
insurance**
Acquired
Aug 2018

Hollard.
Invested
Dec 2018

**Capture further growth
and pursue business
diversification**

pure
INSURANCE
Announced
Oct 2019

**Strategic review of the
business portfolio**



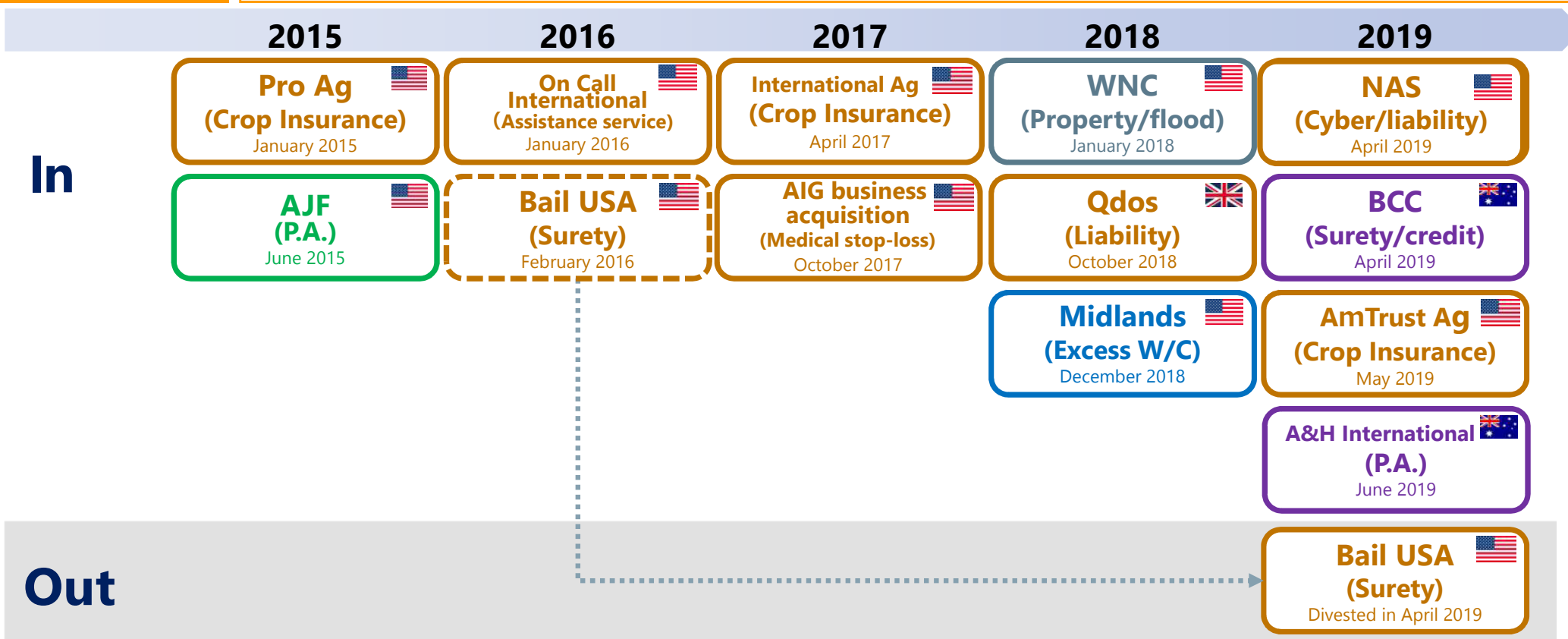
Divested
Mar 2019

Bolt-on M&As

Execute strategic bolt-on M&A leveraging our international group companies' insight and experience

Advantages of bolt-on M&A

- High success rate** : In-depth understanding based on a long-term business relationship
- Accumulated know-how** : TMHCC has executed over 50 bolt-on M&As
- Disciplined M&A** : Strategic portfolio adjustment forecasting the future business environment



Colors represent the acquiring companies: TMHCC (Orange), TMK (Grey), PHL (Green), DFG (Blue), TMMA (Australia) (Purple)

Strong M&A Track Record

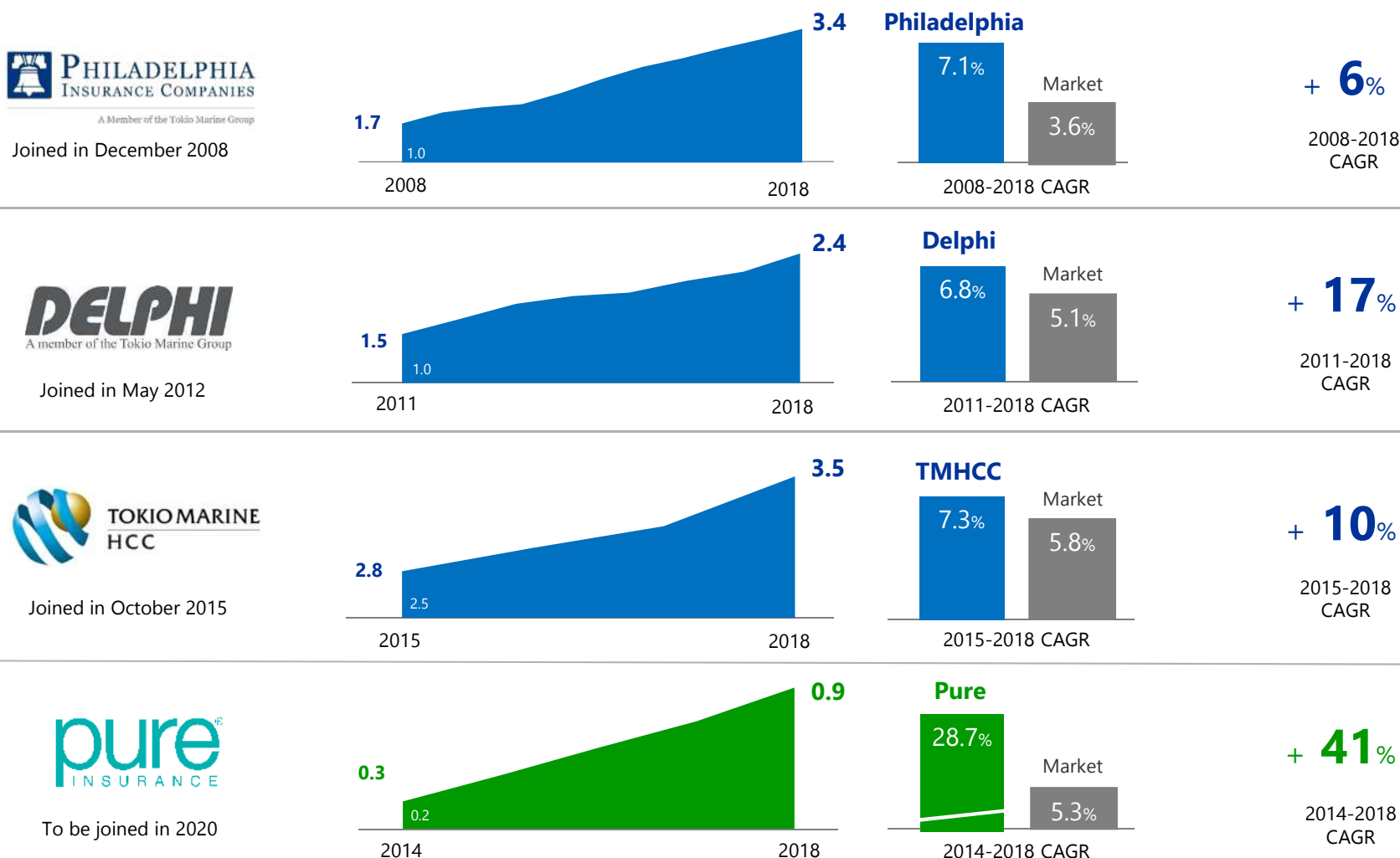
The three U.S. companies exceeded market growth after joining the Tokio Marine Group
We will achieve further growth with the acquisition of Pure

Achieved high growth after joining the Group

+

Towards further growth

(billions of USD) **Top-line*1** **Bottom-line*2**



*1: Net premiums written on a local accounting basis. (For Pure, premiums under management company)
*2: After-tax income on a local accounting basis. (Pure figures are before-tax income)

Our M&A Strategy and Criteria

Capture further growth and pursue business diversification through strategic and disciplined M&A

M&A strategy

Developed markets

M&A including bolt-on M&A
(Pursue growth opportunities and risk diversification)

Emerging markets

M&A
(Capture high market growth and pursue risk diversification)

Strict acquisition criteria to maintain discipline

Target

Cultural fit

High profitability

Solid business model

Hurdle rate

Cost of equity

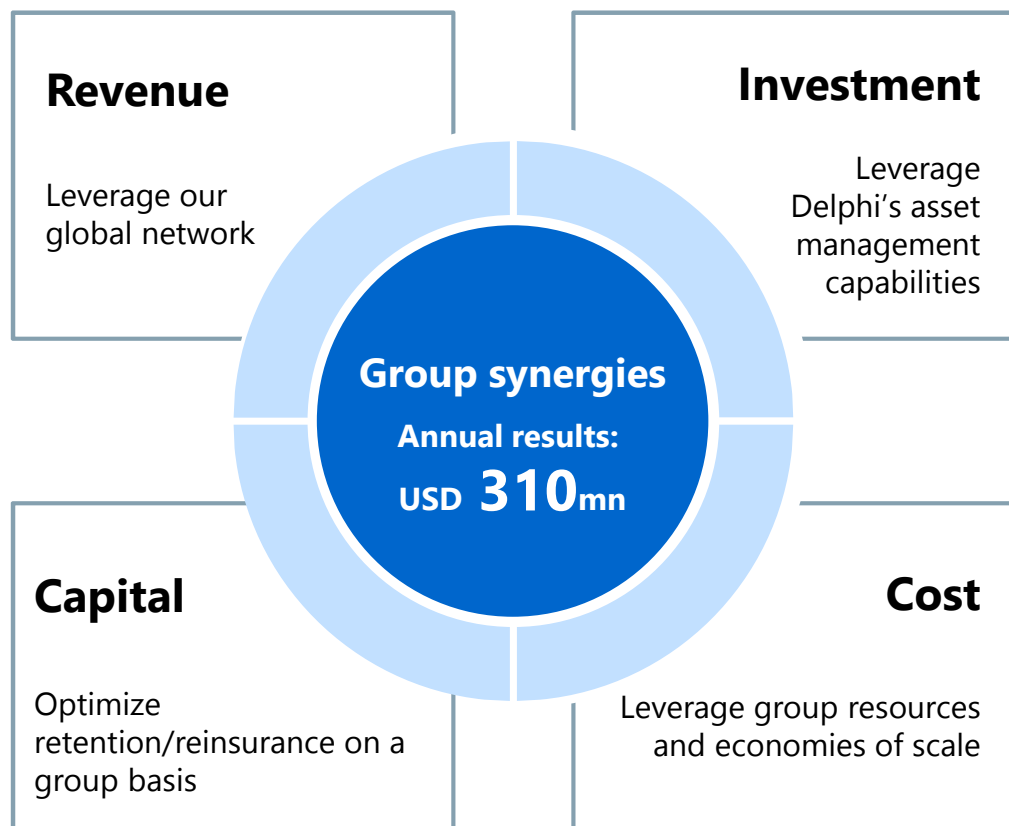
+ risk premium

+ country interest rate spread

Our Group Synergies

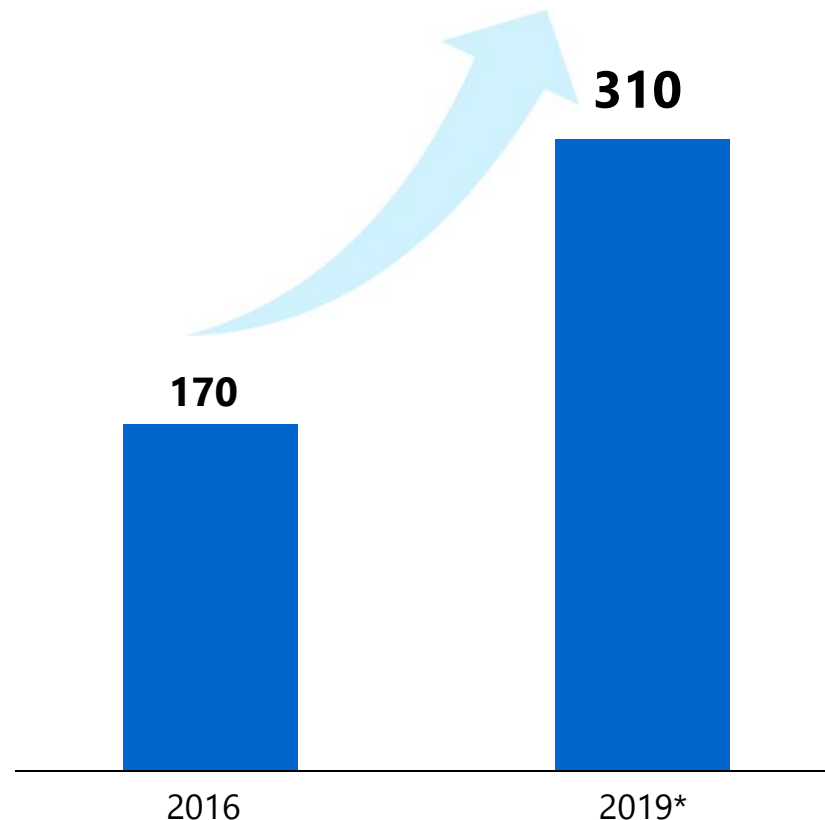
Expand synergies by leveraging our global network and Group-wide expertise, etc.

Group synergies



Impact on profits from expanded group synergies

(millions of USD)

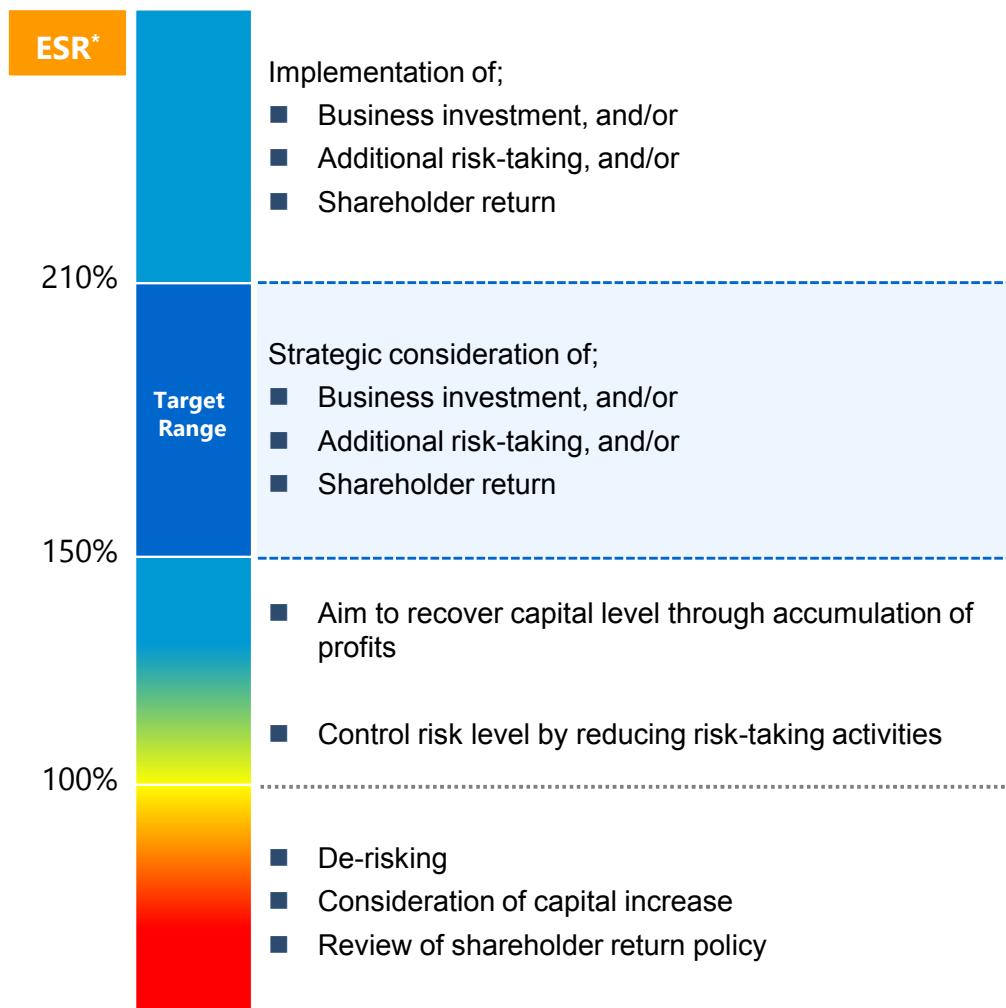


*: Year to June 30, 2019

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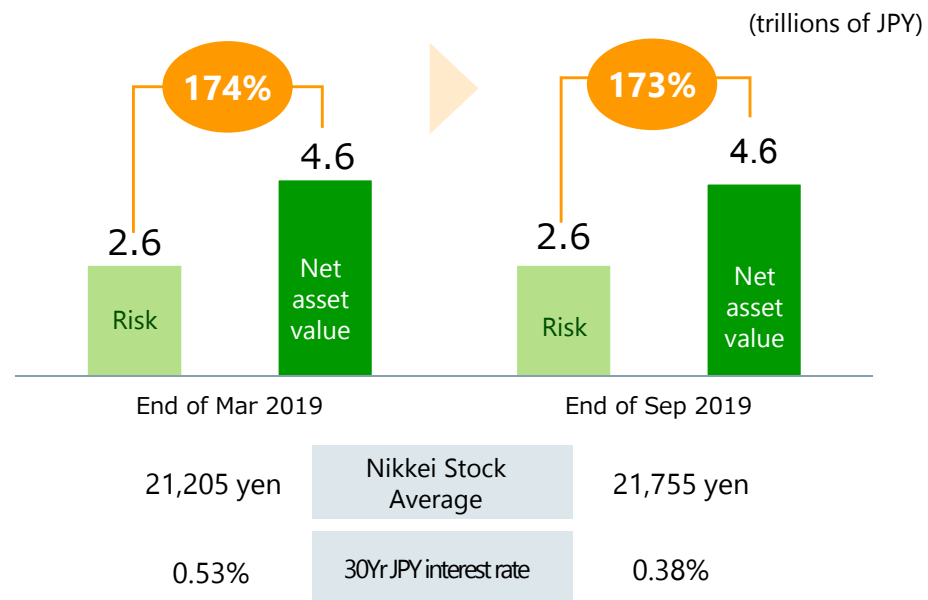
Disciplined Capital Policy

Capital policy based on ESR

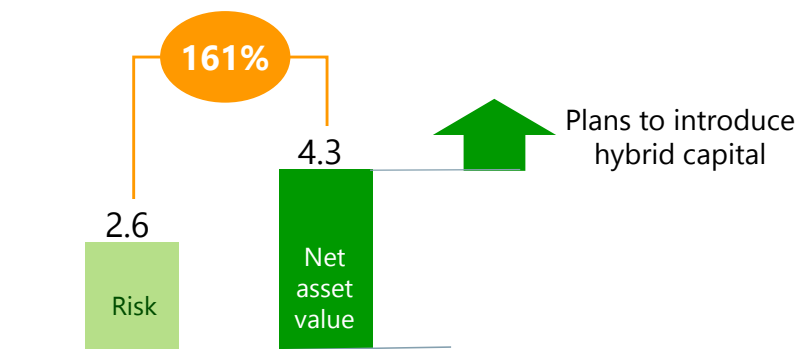


*: Economic Solvency Ratio (Risk is calculated using a model based on 99.95%VaR (AA credit rating equivalent).)

ESR

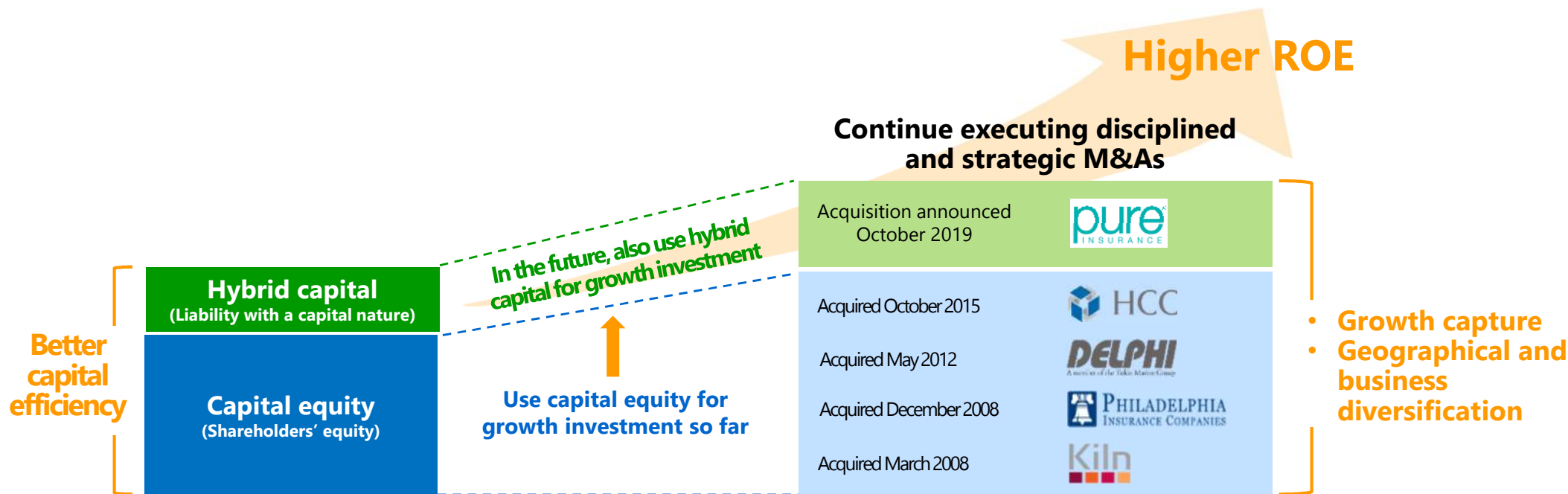


(Reference) ESR after consideration of the acquisition of the Pure Group

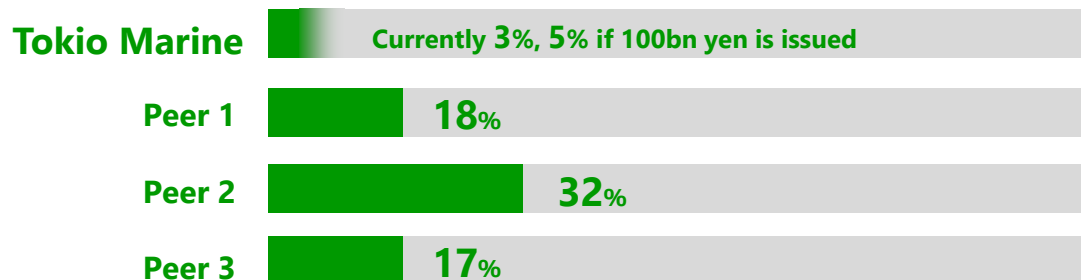


Further Growth Through A Flexible Capital Strategy

Utilize hybrid capital to secure the necessary level of capital to implement future growth strategies while improving capital efficiency. Increase ROE in the long term



Ratio of hybrid in ESR capital (net asset value)*



(Reference) Overview of hybrid bonds

Considerations with the following conditions:

- Issue amount: ¥100bn or more
- Currency: Japanese yen
- Issuance timing: December 2019 (plan)

Shareholder Return Policy

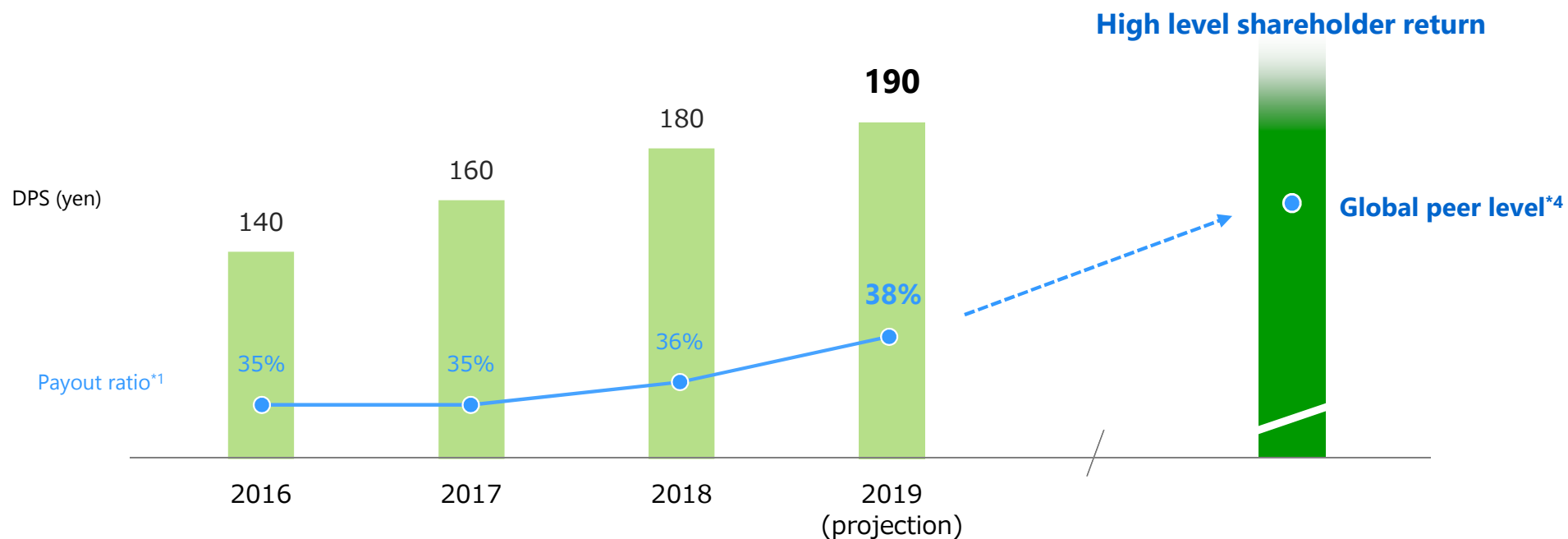
Our primary means of shareholder return is dividends and we plan to sustainably increase total dividends along with profit growth

Dividends

- Payout ratio is at or above 35% of the 5-year average adjusted net income
- Gradually increase the payout ratio*¹ to levels that are on par with global peers to achieve mid-term goal

Capital level adjustment

- Adjust capital levels flexibly through share buybacks, etc. based on a comprehensive consideration of the market environment, business investment opportunities, etc.



Total dividends* ² (billions of JPY)	105.3	117.6	128.0	133.0
Capital level adjustment* ³ (share buybacks, etc.) (billions of JPY)	50.0	150.0	125.0	50.0

*1: Payout ratio based on the original projection basis.

*2: The figure for 2019 (projection) is before reflecting share buybacks.

*3: Total amount approved by the announcement date of financial results of each fiscal year. The figures for 2018 and 2019 include one-time dividends of approx. 50.0bn yen and approx. 25.0bn yen, respectively.

*4: Payout ratio of global peers is currently approx. 50%.

Strong Track Record

Our steady implementation of management strategies has resulted in above-market TSR and an EPS that is comparable to our peers

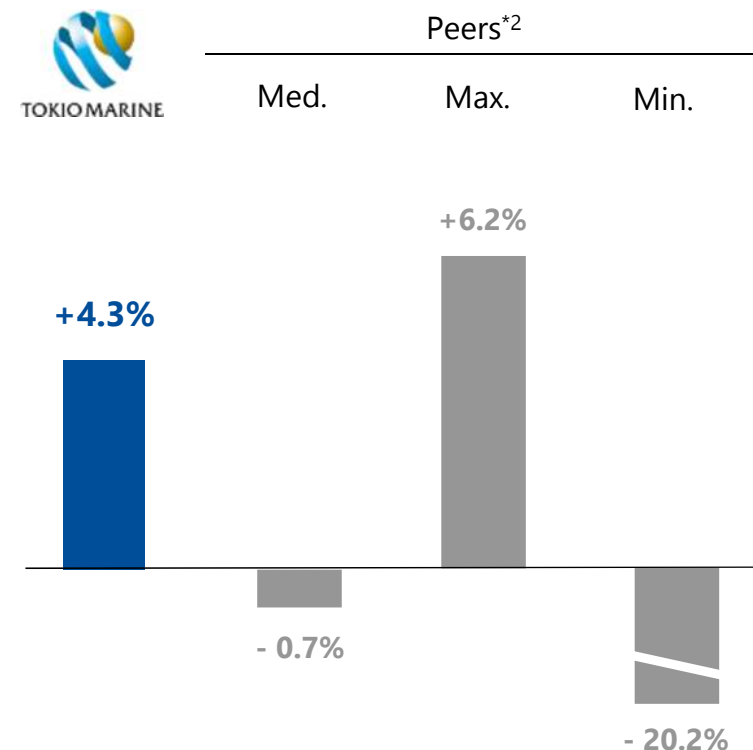
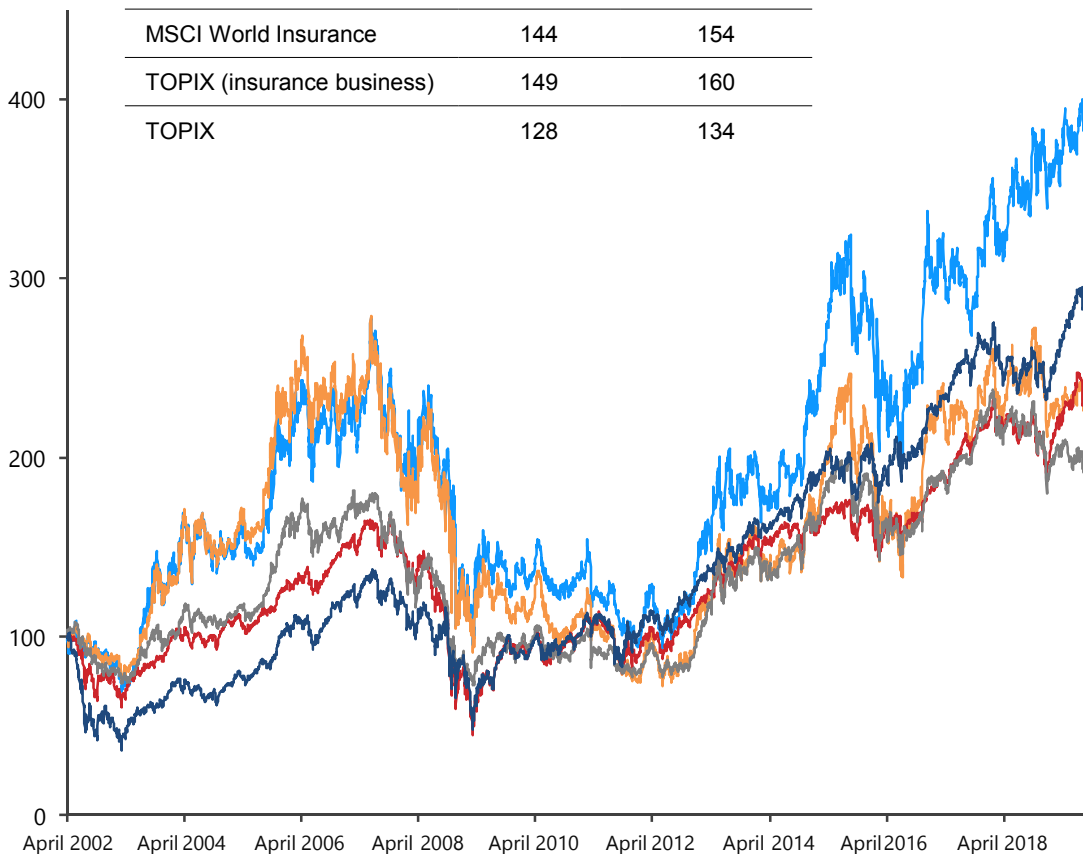
TSR*1

EPS*3 CAGR (2014-2018)

Performance 3Y 5Y

Tokio Marine	168	203
Peers*2	162	181
MSCI World Insurance	144	154
TOPIX (insurance business)	149	160
TOPIX	128	134

As of end of Sept 2019



Source: Bloomberg

*1: Total Shareholder Return (TSR): Capital return after reinvesting dividends.

Stock price indexed at 100 as of April 1, 2002.

*2: Allianz, AXA, Chubb, Zurich

*3: Financial accounting basis

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- Robust Business Model
- 2Q FY2019 Results
- FY2019 Full-Year Projections (each business)
- Social Inflation in the U.S. and Our Initiative
- Tokio Marine Holdings Key Statistics
- Return to Shareholders
- Business Unit Profits
- Reconciliation of Business Unit Profits and Adjusted Net Income
- Adjusted Net Income and Business Unit Profits
- Definition of Terms
- Reconciliation of Adjusted Net Income / Adjusted Net Assets
- Reconciliation of Business Unit Profits
- Mid-Term Business Plan Group Management Framework
- ESR and Sensitivity
- Basic Information (each business)
- Group Asset Management
- Digital Strategy Promotion
- ESG (Sustainable Enhancement of Corporate Value), Value Creation Story
- Impact of FX Rate Change on the Group's Financial Results

◆ Abbreviations used in this material

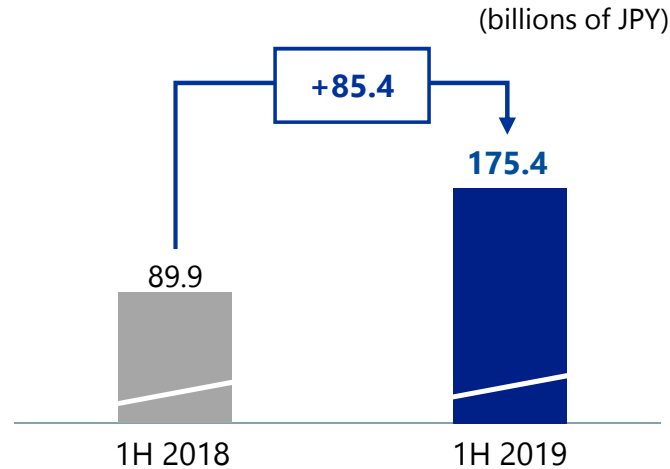
- TMNF : Tokio Marine & Nichido Fire Insurance Co., Ltd.
- NF : Nisshin Fire & Marine Insurance Co., Ltd.
- TMNL : Tokio Marine & Nichido Life Insurance Co., Ltd.
- TMHCC : Tokio Marine HCC
- TMK : Tokio Marine Kiln

Realize further growth through well diversified business model with a stable profit base in Japan as well as a strong specialty franchise in developed countries and a business footprint capturing high market growth in emerging countries

Area	Profit Contribution*	Role	Strategy
Japan	53%	Generate sustainable and stable profits	Stable market + Competitive position
Developed countries	47%	Sustainable profit growth unaffected by market conditions	Focus on specialty insurance + Emphasize profitability
Emerging countries		Capture high market growth	Strategic regional expansion + Business platform to capture growth

Income grew in both Japan and overseas

Adjusted Net Income

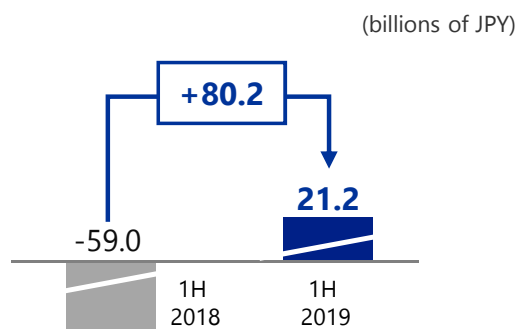


Adjusted net income rose by ¥85.4bn YoY due to a decrease in natural catastrophes, an increase in investment income and improved profitability in international insurance

	1H 2018	1H 2019
Net incurred losses relating to natural catastrophes (before tax, business unit profits basis)	213.1	89.6
International insurance	11.2	10.2
Total	224.3	99.8

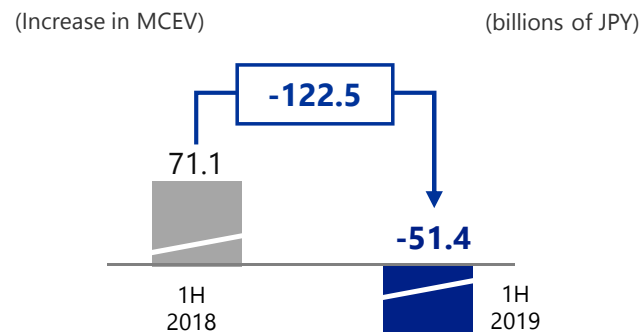
Business Unit Profits

Domestic Non-Life (TMNF)



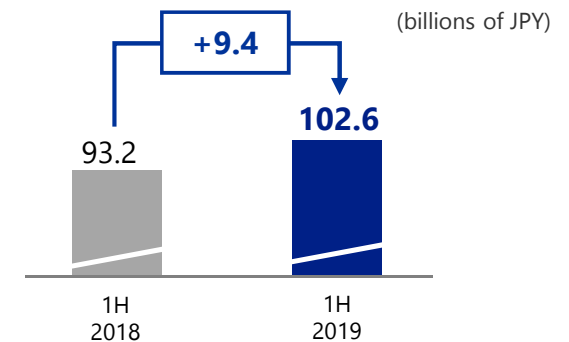
Profit grew as a result of solid top-line growth, a decrease in natural catastrophes, etc.

Domestic Life (TMNL)



Profit shrank due to changes in the economic environment (lower interest rates) despite the growth in highly profitable protection-type products

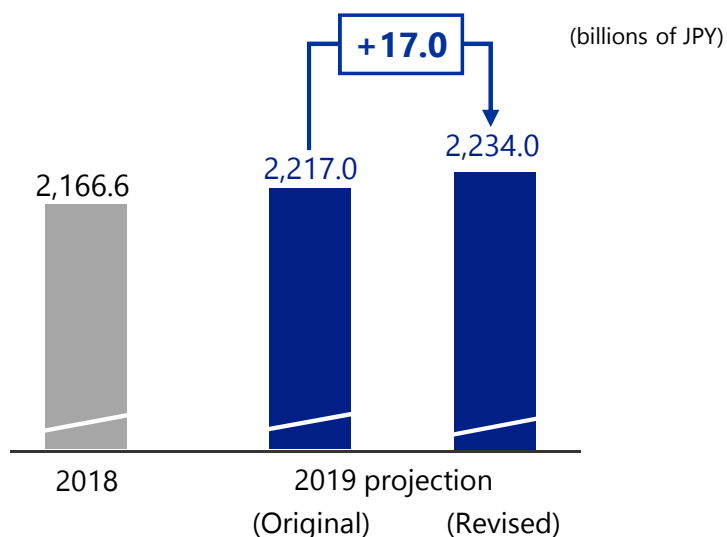
International Insurance



Profit rose due to an increase in investment income and improved profitability in Asia and Brazil, etc.

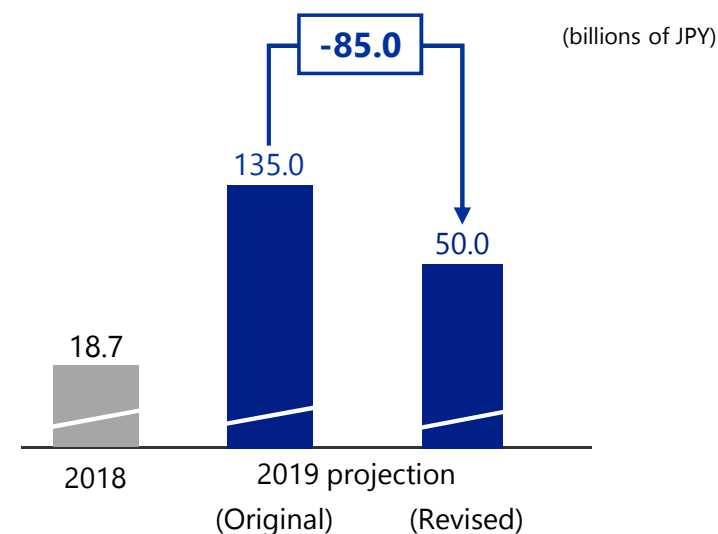
Net premiums written

- Revised upward given the first half revenue results mainly of fire and specialty insurance
- The Mid-Term Business Plan projects a CAGR of +1% or higher. Growth pace is faster than projected



Business unit profit

- Revised downward mainly due to the impact of natural catastrophes
- The Mid-Term Business Plan projects a CAGR of +1% or higher for business unit profits and a combined ratio of around 92-93%. Progress is as planned when the impact of natural catastrophes are excluded

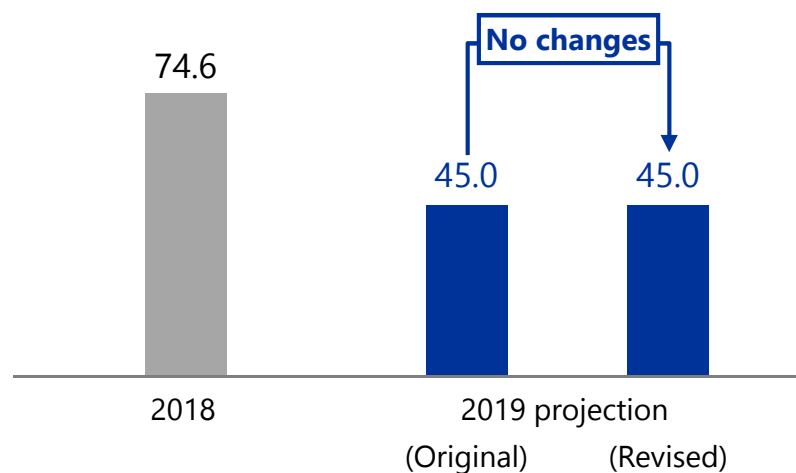


C/R (private insurance E/I basis)	2018	2019 projection (Original)	2019 projection (Revised)
	102.2%	92.1%	98.3%

New policies ANP

- No changes have been made to the original projections of new policies ANP
- The Mid-Term Business Plan projects a CAGR of +1% or higher. Protection-type products are growing steadily despite the impact of sales suspension of the business insurance in FY2019

(billions of JPY)

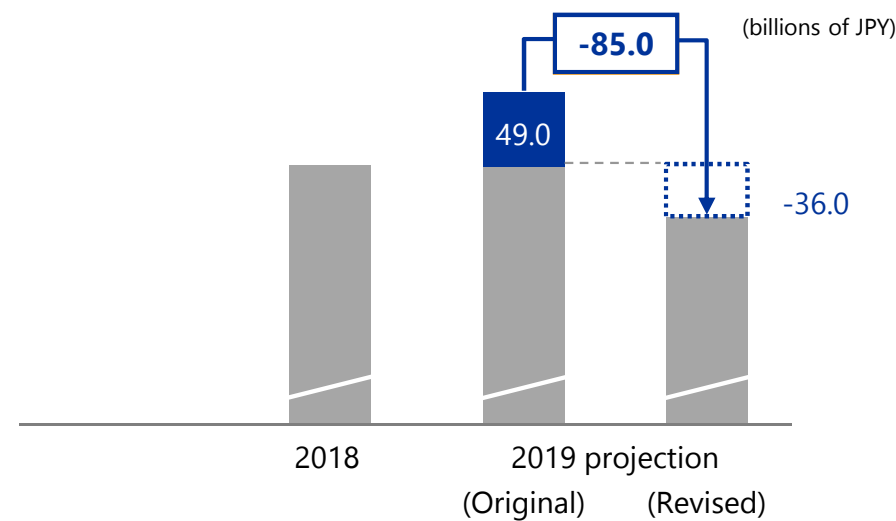


New policies ANP	74.6	45.0	45.0
In-force policies ANP	857.7	834.0	834.0

Business unit profits

- Business unit profit is revised downward due to factors such as the impact of lower interest rates
- The Mid-Term Business Plan projects a CAGR of +4% or higher for MCEV growth rate. Increases in profitability will be achieved by promoting sales of protection-type products despite the lower interest rate environment

(billions of JPY)



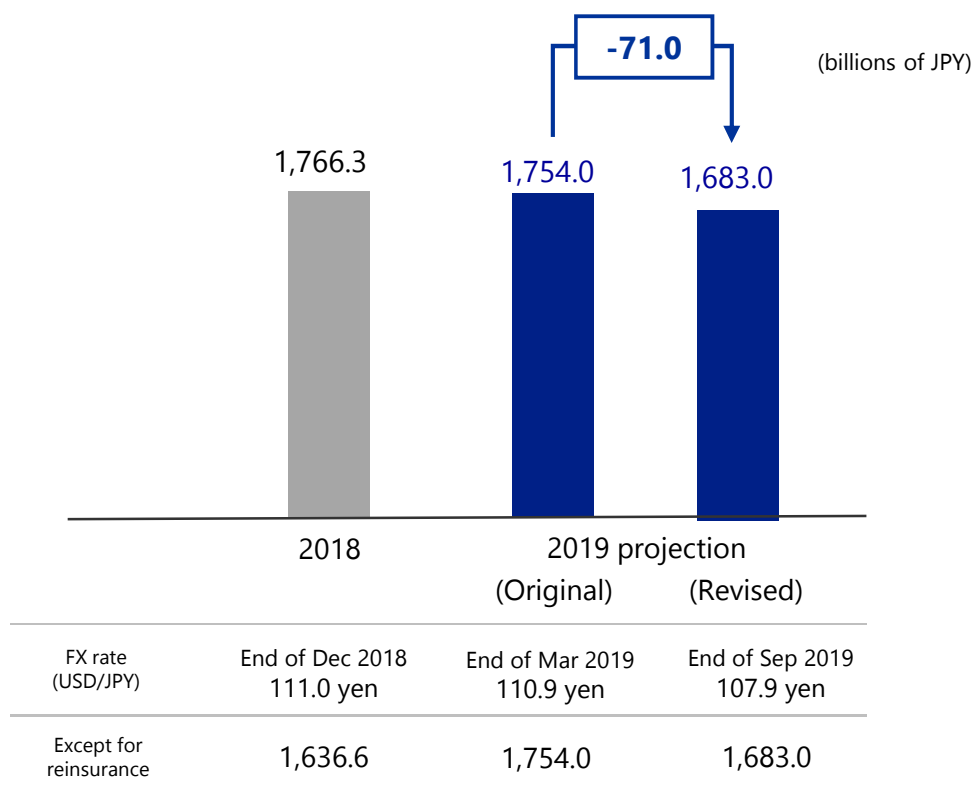
Year-end MCEV*1	1,076.0	1,125.0	1,040.0
Business unit profit ²	-158.6	49.0	-36.0
Of which, New business value + Existing business contribution	78.3	70.0	65.0

*1: FY2018 figures are after paying dividends to shareholders, FY2019 projections are before dividend payouts to shareholders.

*2: Figures before paying dividends to shareholders.

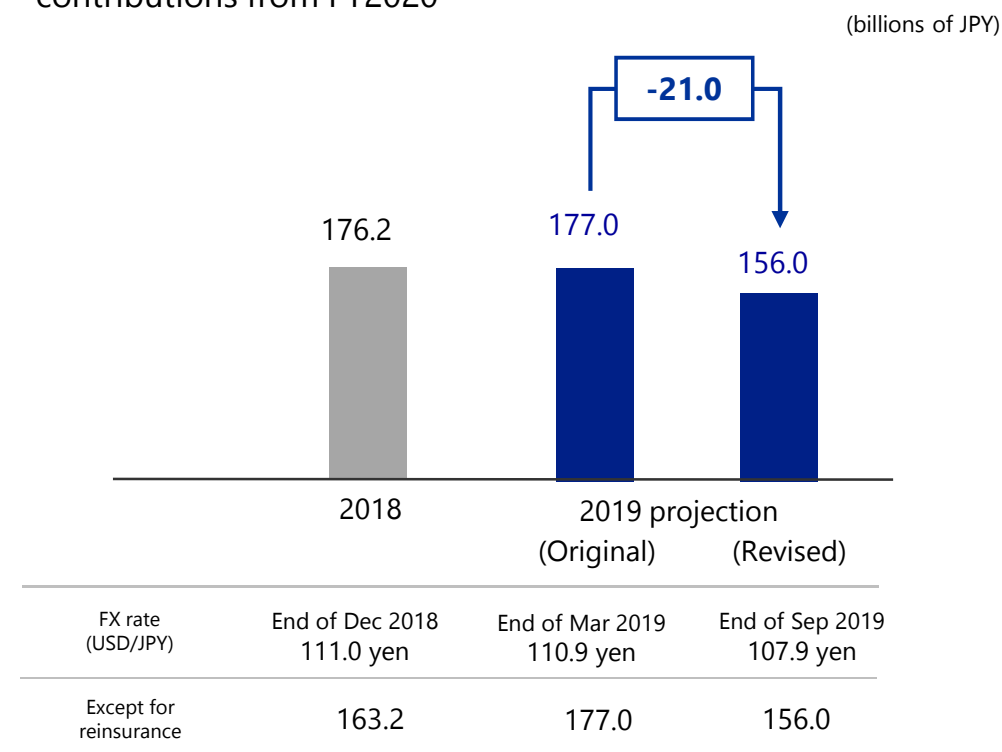
Net premiums written

- Revised downward reflecting the impact of the appreciation of yen (approx. -65.0bn yen) and the profitability-based underwriting control in North America
- The Mid-Term Business Plan projects a CAGR of around +5%. Growth is steady when excluding the impact of the divestment of the reinsurance subsidiary and FX fluctuations



Business unit profit

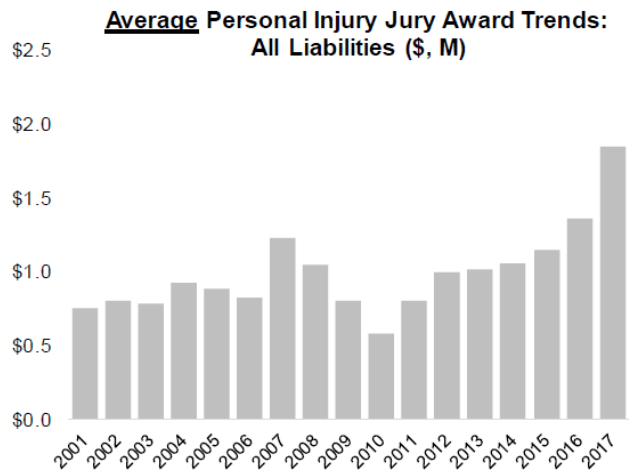
- Revised downward due to the impact of the appreciation of yen (approx. -6.0bn yen), an increase in reserves due to social inflation, and the deterioration in crop insurance caused by unstable weather
- The Mid-Term Business Plan projects a CAGR of around +11%. Growth is steady when excluding the negative factors for FY2019 explained above. Pure is expected to start making contributions from FY2020



Social inflation

- Non-economic damages payouts are rising significantly due to robust activities by lawyers and an increase in jury award favoring plaintiff.
- Its impact has accelerated in the last one to two years and the market is monitoring the adequacy of adverse reserve development for claims which have not been settled.

Increasing jury award



Source: Dowling & Partners, LLC IBNR Weekly #43 published on October 24th ; III Org and Thomson Reuters.

Impact on Tokio Marine Group and our initiative



The weight of general liability business that covers third party liability is small and the impact of social inflation is therefore limited



- PHLI markets package insurance products to companies/organizations, of which general liability and auto liability are affected by social inflation.
- PHLI strengthened reserves in FY2019 and started the following initiatives.

Rate increase

Implement a rate increase well enough to cover loss cost inflation

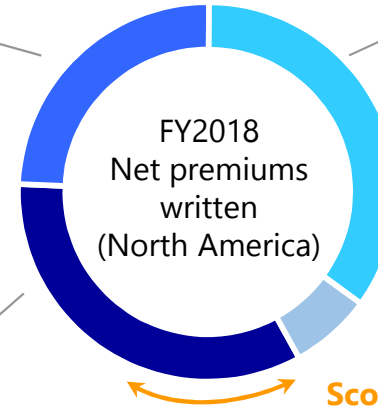
(Reference) Rate increase (Apr-Jun 2019)

PHLY	6.7%
Market (*)	Approx. 4%

*U.S. commercial P&C market
Source: Willis Towers Watson



The weight of general liability business that covers third party liability is small and the impact of social inflation is therefore limited



Enhance underwriting disciplines

- Improve terms and conditions including reduction of limit for general liability
- Reduce exposures of low profitability product lines

Tokio Marine Holdings Key Statistics



TOKIO MARINE

		FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019 Projections
Financial accounting basis	Net income (billions of yen) ¹	23.1	128.4	71.9	6.0	129.5	184.1	247.4	254.5	273.8	284.1	274.5	325.0
	Shareholders' equity after tax (billions of yen)	1,627.8	2,169.0	1,886.5	1,839.6	2,340.7	2,712.7	3,578.7	3,484.7	3,542.1	3,805.1	3,574.2	3,717.1
	EPS (yen)	29	163	92	7	168	239	323	337	363	382	383	461
	BPS (yen)	2,067	2,754	2,460	2,399	3,052	3,536	4,742	4,617	4,722	5,245	5,058	5,293
	ROE	1.1%	6.8%	3.5%	0.3%	6.2%	7.3%	7.9%	7.2%	7.8%	7.7%	7.4%	8.9%
	PBR	1.16	0.96	0.90	0.95	0.87	0.88	0.96	0.82	0.99	0.90	1.06	1.09
KPI	Adjusted net income (billions of yen)	-	-	-	30.7	163.1	243.7	323.3	351.9	406.7	341.4	280.9	305.0
	Adjusted net assets (billions of yen)	-	-	-	2,301.6	2,746.5	3,172.5	4,103.4	3,599.3	3,812.4	4,086.4	3,763.1	3,903.3
	Adjusted EPS (yen)	-	-	-	40	212	317	423	466	539	459	391	433
	Adjusted BPS (yen)	-	-	-	3,001	3,580	4,135	5,437	4,769	5,082	5,633	5,325	5,558
	Adjusted ROE	-	-	-	1.3%	6.5%	8.2%	8.9%	9.1%	11.0%	8.6%	7.2%	8.0%
	Adjusted PBR	-	-	-	0.76	0.74	0.75	0.83	0.80	0.92	0.84	1.01	1.04
Business Unit Profits ² (billions of yen)	Domestic non-life insurance business	5.1	46.2	20.4	-26.1	48.3	34.0	122.5	126.0	167.6	144.3	18.9	48.0
	Domestic life insurance business	-57.2	52.0	27.5	15.9	110.3	104.5	139.8	-188.1	373.5	98.4	-158.6	-36.0
	International insurance business	20.8	76.5	24.8	-11.9	69.2	136.9	145.5	131.8	169.5	144.1	176.2	156.0
	Financial and general businesses	-21.1	-9.4	-0.7	2.6	-18.7	2.5	4.0	7.3	6.6	7.2	6.8	5.0
Sales of business-related equity holdings (billions of yen)	50	95	187	206	115	109	112	122	117	108	107	100 or more	
		2009/3E	2010/3E	2011/3E	2012/3E	2013/3E	2014/3E	2015/3E	2016/3E	2017/3E	2018/3E	2019/3E	2019/9E
Adjusted number of issued and outstanding shares ³ (thousands of shares)		787,562	787,605	766,820	766,928	767,034	767,218	754,599	754,685	750,112	725,433	706,557	702,247
Market capitalization (billions of yen)		1,926.8	2,118.3	1,789.3	1,827.1	2,039.2	2,383.9	3,438.0	2,878.6	3,536.2	3,541.9	3,807.0	4,103.1
Share price (yen)		2,395	2,633	2,224	2,271	2,650	3,098	4,538.5	3,800.0	4,696.0	4,735.0	5,362.0	5,779.0
Percentage change		-34.9%	9.9%	-15.5%	2.1%	16.7%	16.9%	46.5%	-16.3%	23.6%	0.8%	13.2%	7.8%
(Reference) TOPIX		773.66	978.81	869.38	854.35	1,034.71	1,202.89	1,543.11	1,347.20	1,512.60	1,716.30	1,591.64	1,587.80
Percentage change		-36.2%	26.5%	-11.2%	-1.7%	21.1%	16.3%	28.3%	-12.7%	12.3%	13.5%	-7.3%	-0.2%

*1: From FY2015: The figure is "Net income attributable to owners of the parent"

*2: Until FY2014: The figures are "Adjusted earnings" (Former KPI), domestic life insurance business is presented on TEV (Traditional Embedded Value) basis

*3: All figures exclude the number of treasury shares held from the total number of the shares issued

Return to Shareholders

	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019 Projections
Dividends per share	48yen	50yen	50yen	50yen	55yen	70yen	95yen	110yen	140yen	160yen	180yen	190yen
Dividends total	38.0bn yen	39.4bn yen	38.6bn yen	38.3bn yen	42.2bn yen	53.7bn yen	72.2bn yen	83.0bn yen	105.3bn yen	117.6bn yen	128.0bn yen	133.0bn yen ^{*3}

Capital level adjustment ^{*1} (share buybacks, etc.)	50.0bn yen	-	50.0bn yen	-	-	-	50.0bn yen	-	50.0bn yen	150.0bn yen	125.0bn yen	50.0bn yen (Plan)
Total distributions to shareholders	88.0bn yen	39.4bn yen	88.6bn yen	38.3bn yen	42.2bn yen	53.7bn yen	122.2bn yen	83.0bn yen	155.3bn yen	267.6bn yen	253.0bn yen	183.0bn yen (Plan)

Adjusted net income							30.7bn yen	163.1bn yen	243.7bn yen	323.3bn yen	351.9bn yen	406.7bn yen	341.4bn yen	280.9bn yen	305.0bn yen
Average adjusted net income							Adjusted net income was adopted as a new KPI in FY2015. (Figures from FY2011 to FY2014 were calculated as a reference)			220.0bn yen	295.0bn yen	330.0bn yen	340.0bn yen	335.0bn yen	
Payout ratio ^{*2}										38%	36%	36%	38%	40%	

<Reference : Financial accounting basis>

Net income (Consolidated)	23.1bn yen	128.4bn yen	71.9bn yen	6.0bn yen	129.5bn yen	184.1bn yen	247.4bn yen	254.5bn yen	273.8bn yen	284.1bn yen	274.5bn yen	325.0bn yen
Payout ratio	165%	31%	54%	639%	33%	29%	29%	33%	39%	42%	47%	41%
Total shareholder return ratio	381%	31%	123%	639%	33%	29%	49%	33%	57%	94%	92%	56%

*1: Total amount approved by the announcement date of financial results of each fiscal year. The figures for FY2018 and FY2019 include one-time dividends of approx. 50.0bn yen and approx. 25.0bn yen, respectively.

*2: Payout ratio to average adjusted net income.

*3: Before reflecting share buybacks.

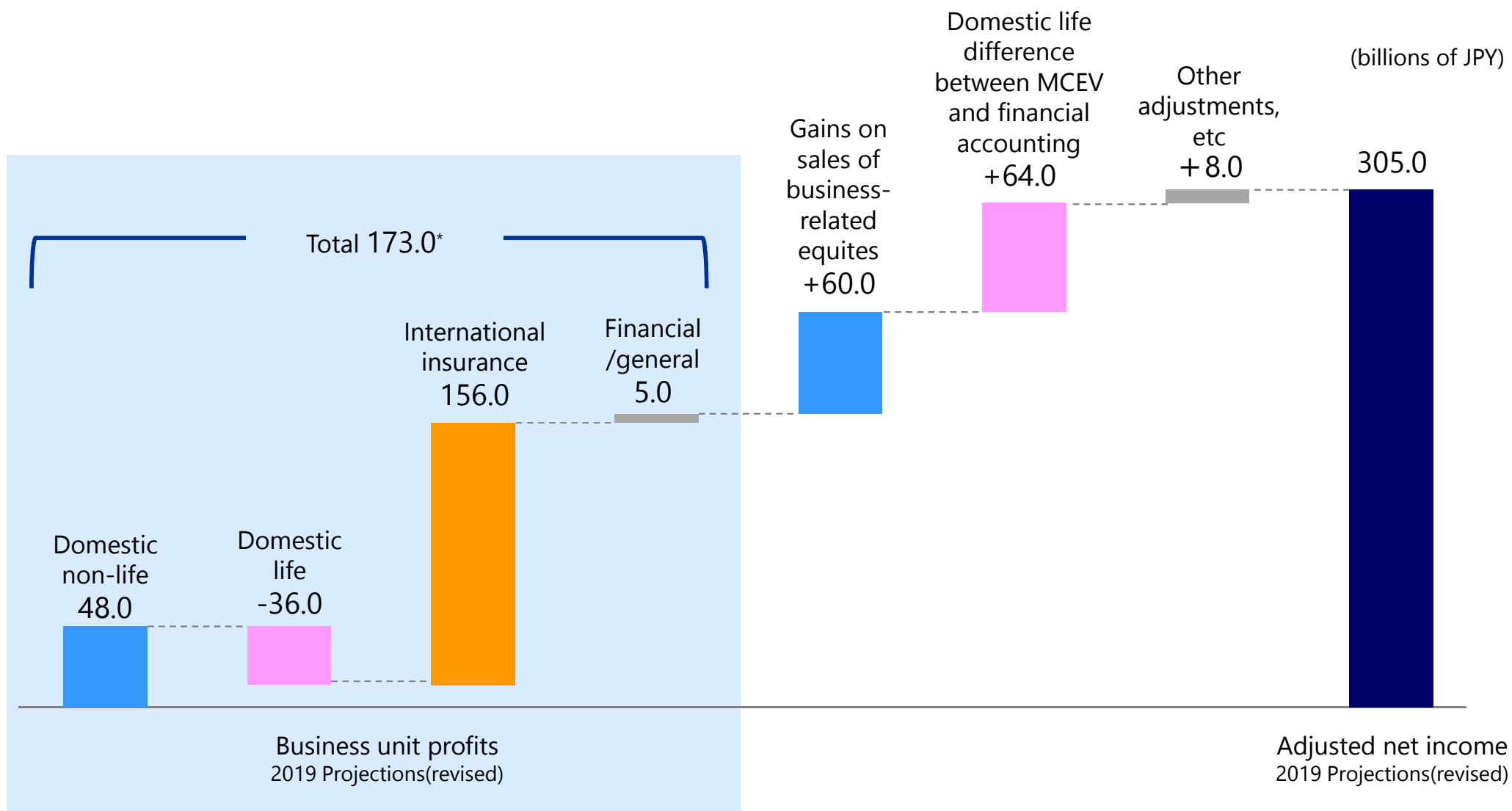
(billions of JPY)

Business Domain	FY2018 Results	FY2019 Projections		
		Original (a)	Revised (b)	(b)-(a)
Domestic Non-Life	18.9	142.0	48.0	-94.0
TMNF	18.7	135.0	50.0	-85.0
NF	0.7	8.0	-1.0	-9.0
Other	-0.6	-2.0	-1.0	1.0
Domestic Life^{*1}	-158.6	49.0	-36.0	-85.0
TMNL	-158.6	49.0	-36.0	-85.0
International Insurance	176.2	177.0	156.0	-21.0
North America	153.0	159.0	138.0	-21.0
Europe, Middle East & Africa	-0.1	7.0	6.0	-1.0
South & Central America	9.2	6.0	9.0	3.0
Asia & Oceania	12.0	12.0	11.0	-1.0
Reinsurance	13.0	-	-	-
International Non-Life ^{*2}	187.8	186.0	166.0	-20.0
International Life	-0.7	3.0	3.0	-
Financial & General	6.8	5.0	5.0	-

*1: Excluding capital transactions

*2: International Non-Life figures include some life insurance figures of composite overseas subsidiaries

Reconciliation of Business Unit Profits and Adjusted Net Income



*: Total of business unit profits of domestic non-life, domestic life, international insurance, financial/general businesses

Adjusted Net Income and Business Unit Profit

Adjusted Net Income (Group total)

Enhancing transparency and comparability / Linking with shareholder returns

- For the Group total, **Adjusted Net Income** based on financial accounting is used from the perspective of enhancing transparency and comparability as well as linking with shareholder returns
- Profit indicator for the Group total as the base for calculating capital efficiency (adjusted ROE) and source of dividends

Business Unit Profits

Creating long-term corporate value

- For each business domain, **Business Unit Profits** is used from the perspective of accurately assessing corporate value including economic value, etc. for the purpose of long-term expansion
- Use MCEV (market-consistent embedded value) for domestic life, which reflects the economic value of the business more accurately

Main differences

		Adjusted Net Income	Business Unit Profits
Domestic non-life	Gains or losses on sales of business-related equities	Included	Excluded
	Provision for reserves of capital nature, etc.	Excluded	Excluded
Domestic life		Adjust the financial accounting basis net income	Increase in MCEV during the current fiscal year
Other than the above	Amortization of goodwill and other intangible fixed assets	Excluded	Excluded

Definition of Adjusted Net Income / Adjusted Net Assets / Adjusted ROE

$$\text{Adjusted Net Income}^{*1} = \text{Net income (consolidated)}^{*2} + \text{Provision for catastrophe loss reserves}^{*3} + \text{Provision for contingency reserves}^{*3} + \text{Provision for price fluctuation reserves}^{*3} - \text{Gains or losses on sales or valuation of ALM}^{*4} \text{ bonds and interest rate swaps} + \text{Amortization of goodwill and other intangible fixed assets} - \text{Gains or losses on sales or valuation of fixed assets and business investment equities} - \text{Other extraordinary gains/losses, valuation allowances, etc.}$$

$$\text{Adjusted Net Assets}^{*1} = \text{Net assets (consolidated)} + \text{Catastrophe loss reserves} + \text{Contingency reserves} + \text{Price fluctuation reserves} - \text{Goodwill and other intangible fixed assets}$$

$$\text{Adjusted ROE} = \frac{\text{Adjusted Net Income}}{\text{Adjusted Net Assets (average balance basis)}}$$

*1: Each adjustment is on an after-tax basis

*2: Net income attributable to owners of the parent in the consolidated financial statements

*3: In case of reversal, it is subtracted from the equation

*4: ALM: Asset Liability Management. Excluded since it is counter balance of ALM related liabilities

*5: For some of the life insurance companies, Business Unit Profits is calculated by using the definition in Other businesses (head office expenses, etc. are deducted from profits)

*6: EV: Embedded Value. An index that shows the sum of the net present value of profits to be gained from policies in-force and the net asset value

Definition of Business Unit Profits

Non-life insurance business

$$\text{Business Unit Profits}^{*1} = \text{Net income} + \text{Provision for catastrophe loss reserves}^{*3} + \text{Provision for price fluctuation reserves}^{*3} - \text{Gains or losses on sales or valuation of ALM}^{*4} \text{ bonds and interest rate swaps}$$

Life insurance business^{*5}

$$\text{Business Unit Profits}^{*1} = \text{Increase in EV}^{*6} \text{ during the current fiscal year} - \text{Capital transactions such as capital increase} - \text{Gains or losses on sales or valuation of fixed assets, business-related equities and business investment equities} - \text{Other extraordinary gains/losses, valuation allowances, etc.}$$

Other businesses

Net income determined in accordance with financial accounting principles

Definition of Net Asset Value

$$\text{Net Asset Value}^{*1} = \text{Net assets (consolidated)} + \text{Catastrophe loss reserves} + \text{Contingency reserves} + \text{Price fluctuation reserves} - \text{Goodwill and other intangible fixed assets} - \text{Planned distribution to shareholders} + \text{Value of life insurance policies in-force} + \text{Others}$$

Reconciliation of Adjusted Net Income / Adjusted Net Assets

(billions of JPY)

Adjusted Net Income*¹

	FY2018 Results	FY2019 Projections Original (a)	FY2019 Projections Revised (b)	(b)-(a)
Net income attributable to owners of the parent (consolidated)	274.5	325.0	325.0	-
Provision for catastrophe loss reserves ²	-97.6	-9.0	-88.0	-79.0
Provision for contingency reserves ²	+1.0	+1.0	+1.0	-
Provision for price fluctuation reserves ²	+5.7	+6.0	+6.0	-
Gains or losses on sales or valuation of ALM ³ bonds and interest rate swaps	+1.2	+0.0	-11.0	-11.0
Gains or losses on sales or valuation of fixed assets and business investment equities	+25.4	+0.0	+1.0	1.0
Amortization of goodwill and other intangible fixed assets	+69.7	+77.0	+76.0	-1.0
Other extraordinary gains/losses, valuation allowances, etc.	+0.7	+0.0	-5.0	-5.0
Adjusted Net Income	280.9	400.0	305.0	-95.0

Adjusted Net Assets*¹

	FY2018 Results	FY2019 Projections Original (a)	FY2019 Projections Revised (b)	(b)-(a)
Net assets(consolidated)	3,574.2	3,688.0	3,720.0	32.0
Catastrophe loss reserves	+741.1	+732.0	+653.0	-79.0
Contingency reserves	+40.8	+42.0	+42.0	-
Price fluctuation reserves	+78.1	+84.0	+84.0	-
Goodwill and other intangible fixed assets	-671.3	-595.0	-596.0	-1.0
Adjusted Net Assets	3,763.1	3,951.0	3,903.0	-48.0

Adjusted ROE

	FY2018 Results	FY2019 Projections Original (a)	FY2019 Projections Revised (b)	(b)-(a)
Net income(consolidated)	274.5	325.0	325.0	-
Net assets(consolidated)*	3,689.7	3,631.0	3,645.0	14.0
Financial accounting basis ROE	7.4%	9.0%	8.9%	-0.0pt

* average balance basis

	FY2018 Results	FY2019 Projections Original (a)	FY2019 Projections Revised (b)	(b)-(a)
Adjusted Net Income	280.9	400.0	305.0	-95.0
Adjusted Net Assets*	3,924.7	3,857.0	3,833.0	-24.0
Adjusted ROE	7.2%	10.4%	8.0%	-2.4pt

* average balance basis

*1: Each adjustment is on an after-tax basis

*2: In case of reversal, it is subtracted from the equation

*3: ALM: Asset Liability Management. Excluded since it is counter balance of ALM related liabilities

Reconciliation of Business Unit Profits

Domestic Non-Life*¹ (TMNF)

(billions of JPY)

	FY2018 2Q Results	FY2019 2Q Results	YoY
Net income for accounting purposes	-10.3	41.5	51.9
Provision for catastrophe loss reserves ²	-2.6	+25.3	28.0
Provision for price fluctuation reserves ²	+1.9	+2.0	0.0
Gains or losses on sales or valuation of ALM* ³ bonds and interest rate swaps	+1.2	-2.0	-3.3
Gains or losses on sales or valuation of fixed assets, business-related equities and business investment equities	-44.2	-37.3	6.8
Intra-group dividends	-7.5	-11.5	-4.0
Other extraordinary gains/losses, valuation allowances, etc	+2.5	+3.4	0.8
Business Unit Profits	-59.0	21.2	80.2

	FY2018 Results	FY2019 Projections Original (a)	FY2019 Projections Revised (b)	(b)-(a)
Net income for accounting purposes	261.3	250.0	256.0	6.0
Provision for catastrophe loss reserves ²	-93.8	-11.5	-83.3	-71.8
Provision for price fluctuation reserves ²	+3.9	+4.0	+3.9	-0.1
Gains or losses on sales or valuation of ALM* ³ bonds and interest rate swaps	+0.7	+0.2	-11.2	-11.4
Gains or losses on sales or valuation of fixed assets, business-related equities and business investment equities	-66.0	-55.5	-60.0	-4.5
Intra-group dividends	-96.8	-62.2	-61.5	0.7
Other extraordinary gains/losses, valuation allowances, etc	+9.5	+10.0	+6.0	-4.0
Business Unit Profits	18.7	135.0	50.0	-85.0

International Insurance*¹

	FY2018 2Q Results	FY2019 2Q Results	YoY
Overseas subsidiaries Net income for accounting purposes	82.3	91.0	8.6
Difference with EV (Life)	-2.6	+2.4	+5.1
Adjustment of non-controlling interests	-0.9	-1.6	-0.6
Difference of subsidiaries covered	+0.3	+1.3	+0.9
Other adjustments ⁴	+14.2	+9.4	-4.7
Business Unit Profits	93.2	102.6	9.4

	FY2018 Results	FY2019 Projections Original(a)	FY2019 Projections Revised(b)	(b)-(a)
Overseas subsidiaries Net income for accounting purposes	155.1	150.0	139.0	-11.0
Difference with EV (Life)	-1.2			
Adjustment of non-controlling interests	-1.5			
Difference of subsidiaries covered	-1.4			
Other adjustments ⁴	+25.4			
Business Unit Profits	176.2	177.0	156.0	-21.0

*1: Each adjustment is on an after-tax basis

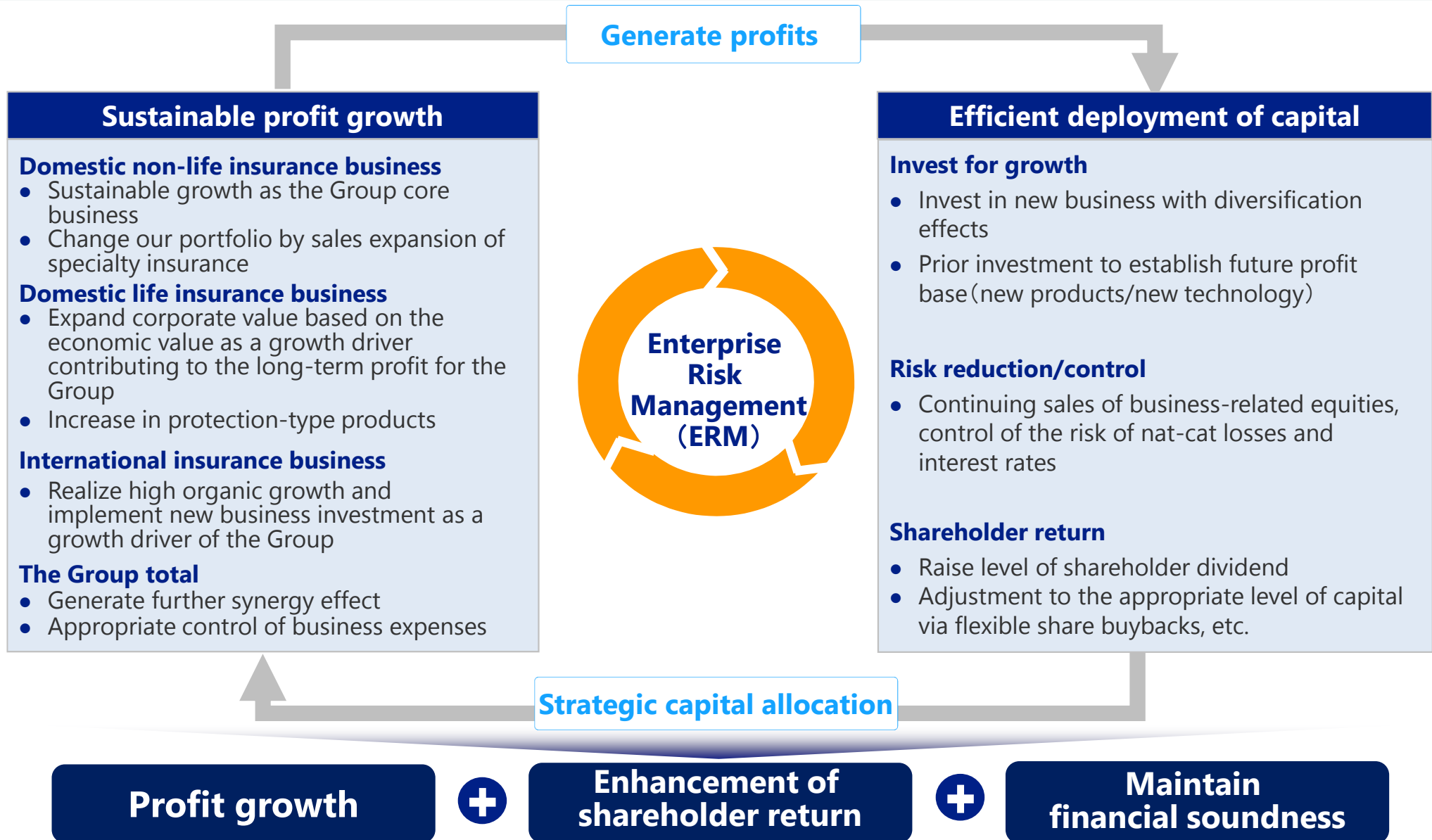
*2: In case of reversal, it is subtracted from the equation

*3: ALM: Asset Liability Management. Excluded since it is counter balance of ALM related liabilities

*4: Amortization of other intangible fixed assets, head office expenses, etc.

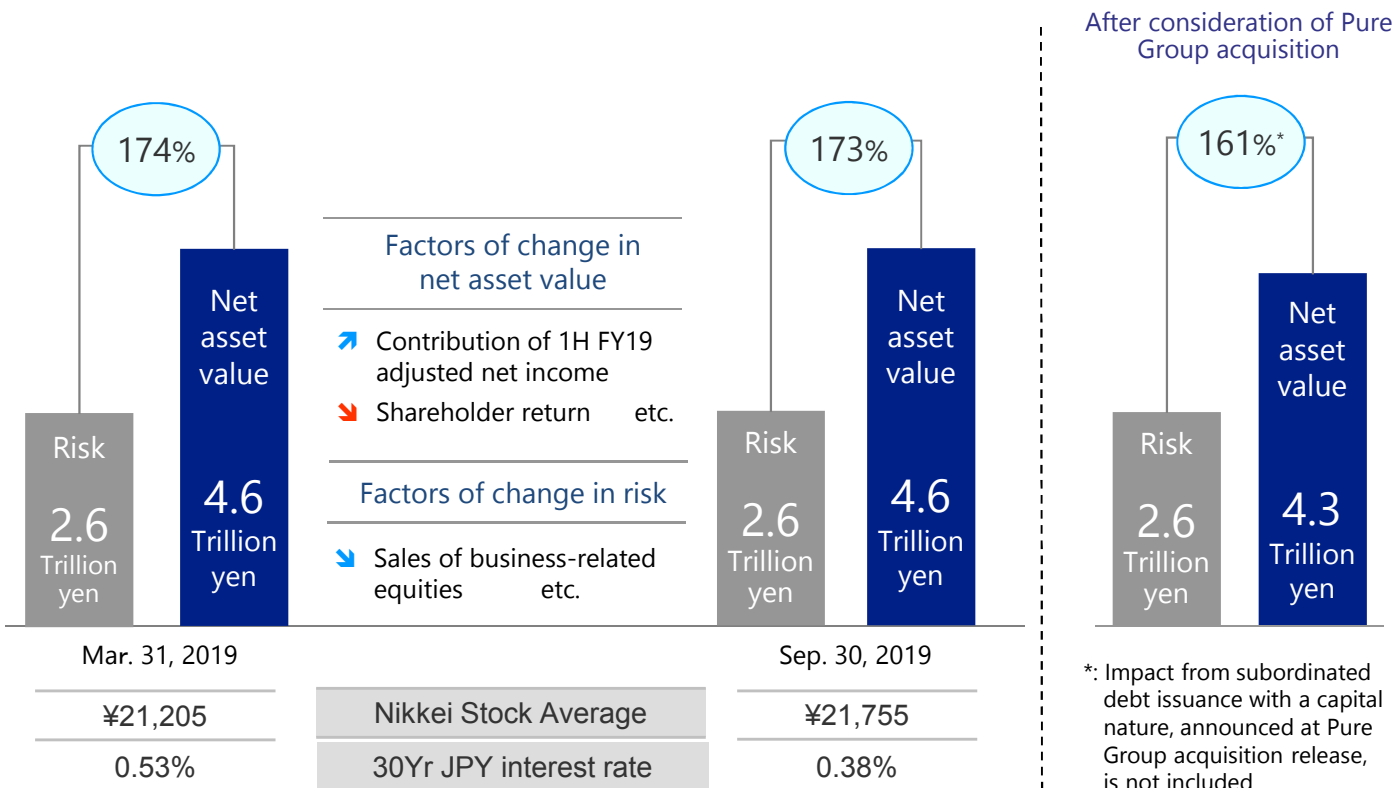
Mid-Term Business Plan Group Management Framework

Based on ERM, realize profit growth while maintaining financial soundness and strategically allocating capital

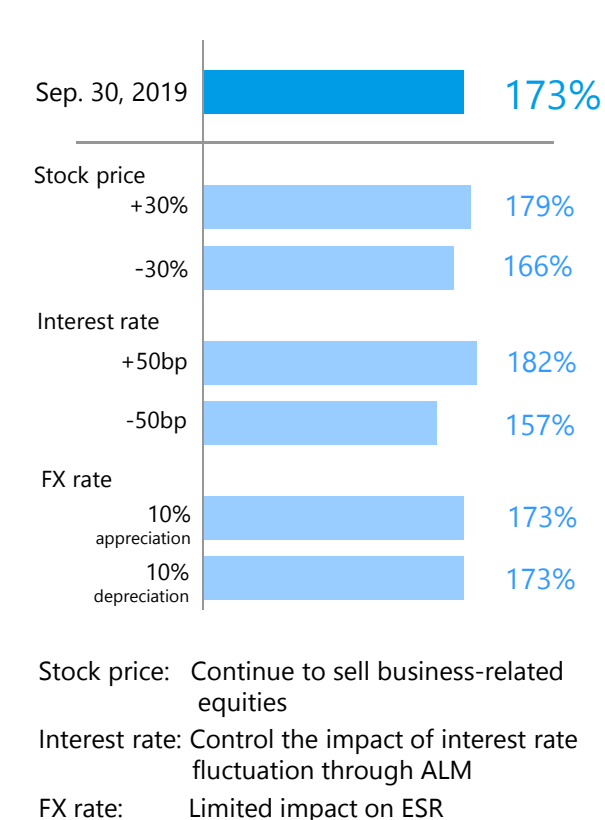


ESR as of end of September 2019 was 173% (within target range) due to shareholder return, etc. offsetting positive impact associated with the profit contribution in 1H FY19

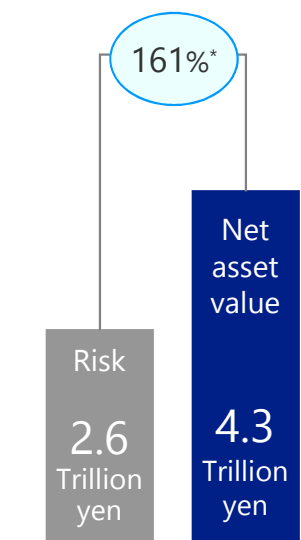
ESR



ESR Sensitivity



After consideration of Pure Group acquisition



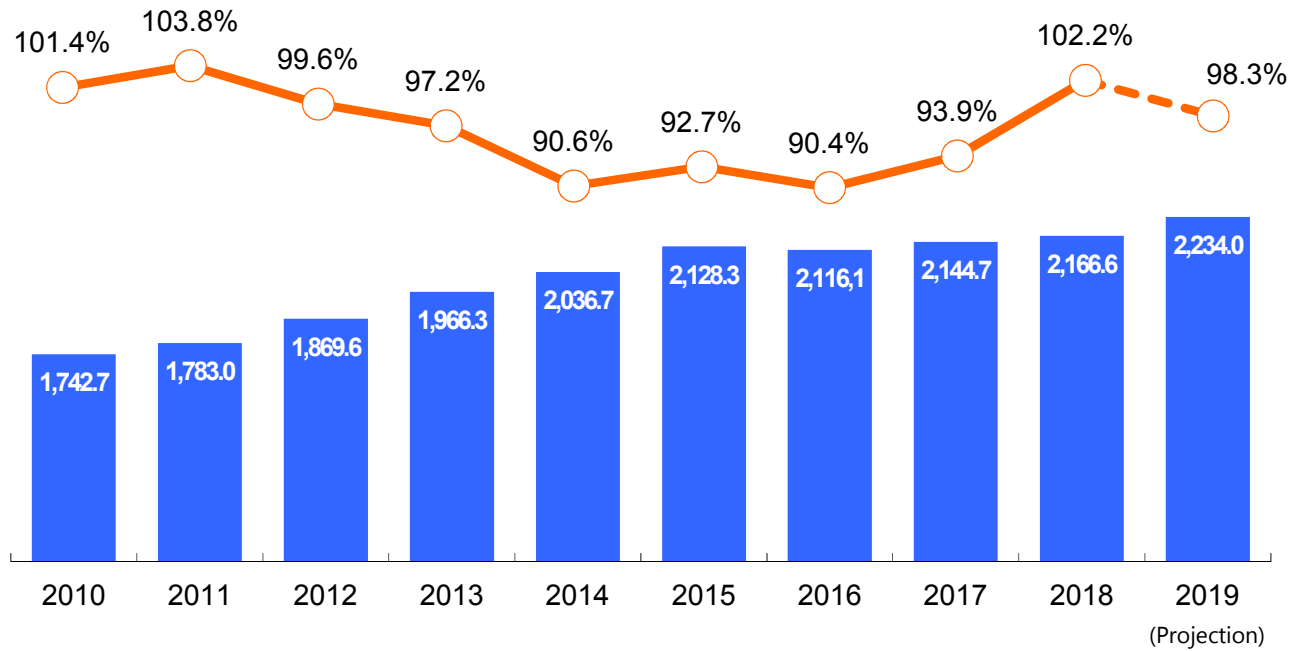
*: Impact from subordinated debt issuance with a capital nature, announced at Pure Group acquisition release, is not included

(Reference) Definition of Net Asset Value

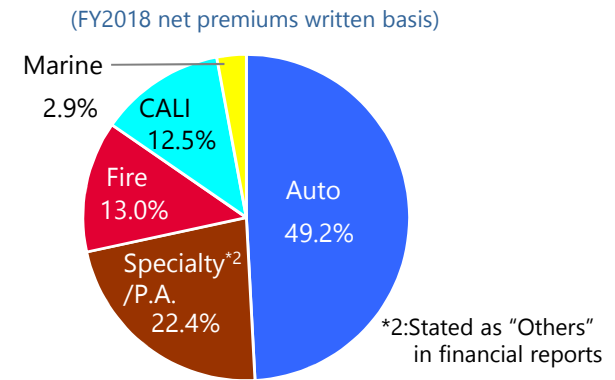
$$\text{Net Asset Value} = \text{Net assets (consolidated)} + \text{Catastrophe loss reserves} + \text{Contingency reserves} + \text{Price fluctuation reserves} - \text{Goodwill and other intangible fixed assets} - \text{Planned distribution to shareholders} + \text{Value of life insurance policies in-force} + \text{Others}$$

Basic Information: Domestic Non-Life (TMNF)

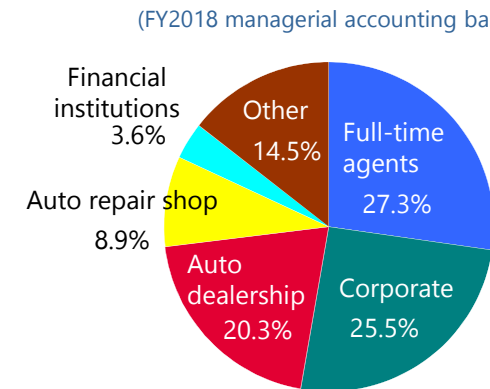
Trends of net premiums written (all lines; billions of JPY) and C/R*1 (private insurance E/I basis)



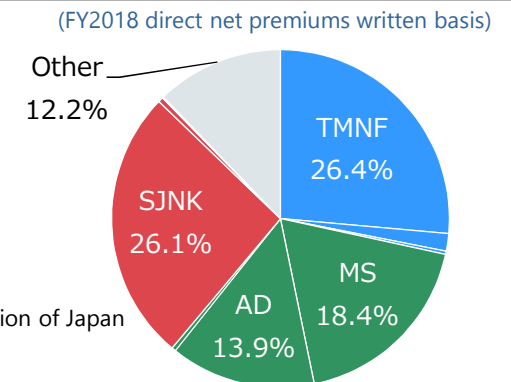
Premium composition by line



Premium composition by sales channel



Market share*3



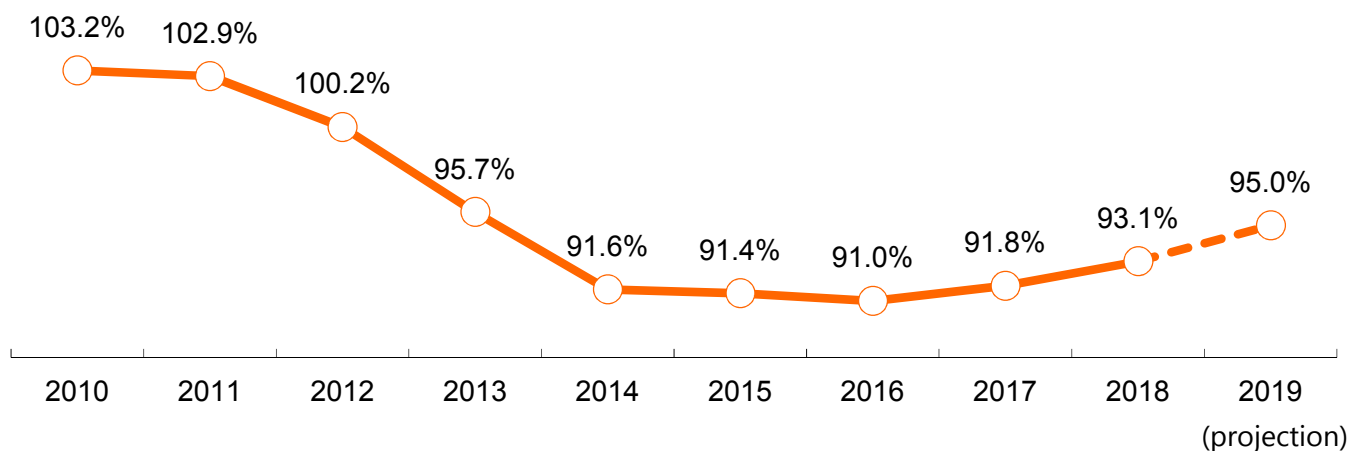
Breakdown of C/R*1 (private insurance E/I basis)

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019 (projection)
C/R*1	101.4%	103.8%	99.6%	97.2%	90.6%	92.7%	90.4%	93.9%	102.2%	98.3%
E/I loss ratio	66.2%	69.8%	66.8%	65.0%	58.5%	60.1%	57.7%	61.4%	70.0%	65.7%
(nat-cat normalized to an average annual level basis)	62.2%	63.5%	64.7%	62.2%	59.2%	58.2%	57.3%	59.1%	59.9%	59.9%
W/P expense ratio	35.1%	34.0%	32.8%	32.2%	32.2%	32.6%	32.7%	32.5%	32.3%	32.7%

*1 C/R = E/I loss ratio + W/P expense ratio

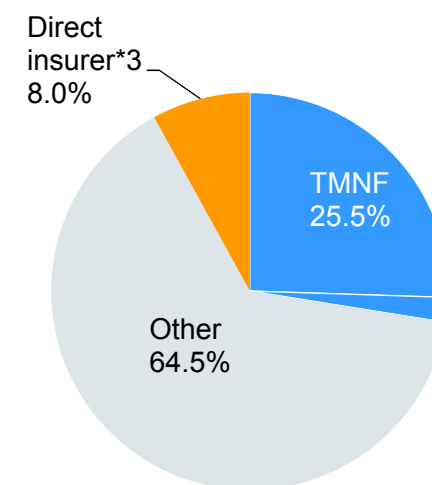
*3: Total members of the General Insurance Association of Japan
Source: General Insurance Association of Japan and company websites

● Trends of C/R*¹ (private insurance E/I basis) in Auto insurance



● Auto insurance market share*²

(FY2017 direct net premiums written basis)



● Breakdown of C/R*¹ (private insurance E/I basis) in Auto insurance

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019 (projection)
C/R*¹	103.2%	102.9%	100.2%	95.7%	91.6%	91.4%	91.0%	91.8%	93.1%	95.0%
E/I loss ratio	70.4%	70.7%	69.4%	65.3%	61.1%	60.5%	60.2%	60.8%	62.3%	63.4%
(nat-cat normalized to an average annual level basis)	70.5%	70.3%	69.3%	64.4%	61.2%	60.4%	60.5%	60.6%	61.0%	62.1%
W/P expense ratio	32.8%	32.2%	30.8%	30.4%	30.5%	30.9%	30.8%	31.0%	30.9%	31.5%

*1: C/R = E/I loss ratio + W/P expense ratio

*2: Source: Insurance Statistics (Sonpo Toukeigo)

*3: Companies include Sony, American Home, AXA, Mitsui Direct, Saison, SBI, E.design, Sompo 24, Zurich.

Basic Information: Domestic Life (TMNL Major Products)

(Product lineup as of November 2019)

Death insurance
(whole life insurance/ term insurance/
variable insurance)



Receive benefits as if receiving monthly salary in times of needs
Enhance coverage for inability to work

プレミアムシリーズ (Premium Series)

- Household Income Term Insurance NEO (Disability Plan) Plus

In addition to severe disability and death, this product offers monthly benefits in the event of the inability to work or the need for nursing care due to certain illness



Variable annuities for future asset accumulation while securing coverage in time of needs

- Market Link

Death, severe disability, and maturity insurance amount fluctuate based on the performance results. Ensure security of minimum coverage for death and severe disability insurance amount



Whole life insurance for longevity in case of death and nursing care

プレミアムシリーズ (Premium Series)

- Long-life Support Whole Life Insurance

In addition to severe disability and death, this product benefits in case the policyholder becomes second degree nursing care or above, etc. under the public nursing care insurance system

Medical and cancer insurance



Medical insurance with lifelong coverage for disease and injury

プレミアムシリーズ (Premium Series)

- Medical Kit NEO
- Medical Kit R R-series product

A medical insurance product, which covers hospitalization, surgery and radiation therapy due to illness or injury



Insurance to secure coverage in case of cancer

プレミアムシリーズ (Premium Series)

- Cancer Treatment Support Insurance NEO
- Cancer Insurance R R-series product

This product offers diagnosis benefit, etc. to the policyholder



Medical insurance that supports health enhancement which refunds a portion of insurance premiums by walking

プレミアムシリーズ (Premium Series)

- Aruku Hoken

Refund a portion of insurance premiums in response to health enhancement activities using sensing technology (wearable device)

- Features of R-series products:
 - R (return) = We return the balance of premiums paid excluding benefits, etc. (refund benefits to health)
 - R (reserve) = We continue to provide lifelong coverage with same premiums at the time of enrollment after paying refund benefits for health
- Premium Series are living protection products that are unique and include extensive coverage

Basic Information: International Insurance (FY2019 Projections by regions)

Net Premiums Written (billions of JPY)	FY2018	FY2019 Projections			FY2019 Revised Projections vs FY2018 Actual	
	Actual	Original	Revised	Difference	YoY Change	YoY %
North America^{*1}	1,107.9	1,147.0	1,102.0	- 45.0	- 5.9	-0.5%
Philadelphia	373.0	377.0	367.0	- 10.0	- 6.0	-1.6%
Delphi	270.7	271.0	271.0	-	0.2	0.1%
TMHCC	387.2	418.0	388.0	- 30.0	0.7	0.2%
Europe & Middle East & Africa^{*2}	153.2	170.0	175.0	5.0	21.7	14.2%
South & Central America	134.3	139.0	127.0	- 12.0	- 7.3	-5.5%
Asia & Oceania	149.3	189.0	181.0	- 8.0	31.6	21.2%
Reinsurance^{*3}	129.7	-	-	-	- 129.7	-
Total Non-Life^{*4}	1,674.6	1,654.0	1,594.0	- 60.0	- 80.6	-4.8%
Life	91.7	100.0	89.0	- 11.0	- 2.7	-3.0%
Total	1,766.3	1,754.0	1,683.0	- 71.0	- 83.3	-4.7%

Applied FX rate	FY2018	FY2019 Projections	
	Actual	Original	Revised
	As of end- Dec. 2018	As of end- Mar. 2019	As of end- Sep. 2019
USD / JPY	¥111.0	¥110.9	¥107.9
GBP / JPY	¥140.4	¥144.9	¥132.6
Brazilian Real / JPY	¥28.5	¥28.3	¥25.9
Malaysian Ringgit / JPY	¥26.8	¥27.1	¥25.7

*1: North American figures include European and Reinsurance businesses of TMHCC, but not include North American business of TMK

*2: Figures of "Europe, Middle East & Africa" include North American business of TMK, but not include European and Reinsurance businesses of TMHCC

*3: Reinsurance figures are those of the reinsurance businesses divested

*4: Total Non-Life figures include some life insurance figures of composite overseas subsidiaries

*5: After adjustment of head office expenses

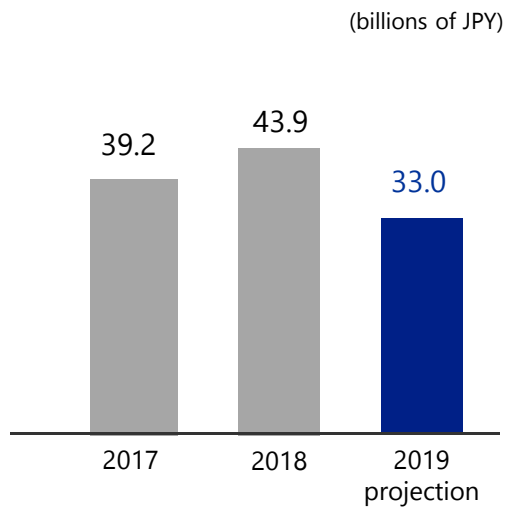
Business Unit Profits (billions of JPY)	FY2018	FY2019 Projections			FY2019 Revised Projections vs FY2018 Actual	
	Actual	Original	Revised	Difference	YoY Change	YoY %
North America^{*1}	153.0	159.0	138.0	- 21.0	- 15.0	-9.8%
Philadelphia	43.9	46.0	33.0	- 13.0	- 10.9	-24.8%
Delphi	58.5	61.0	65.0	4.0	6.4	11.0%
TMHCC	45.3	48.0	38.0	- 10.0	- 7.3	-16.2%
Europe & Middle East & Africa^{*2}	- 0.1	7.0	6.0	- 1.0	6.1	-
South & Central America	9.2	6.0	9.0	3.0	- 0.2	-3.0%
Asia & Oceania	12.0	12.0	11.0	- 1.0	- 1.0	-9.0%
Reinsurance^{*3}	13.0	-	-	-	- 13.0	-
Total Non-Life^{*4}	187.8	186.0	166.0	- 20.0	- 21.8	-11.6%
Life	- 0.7	3.0	3.0	-	3.7	-
Total^{*5}	176.2	177.0	156.0	- 21.0	- 20.2	-11.5%

C/R	FY2018	FY2019 Projections	
	Actual	Original	Revised
North America^{*1}	96.1%	94.9%	97.9%
Philadelphia	96.3%	95.4%	100.3%
Delphi	104.2%	99.2%	99.1%
TMHCC	89.4%	90.2%	93.1%
Europe & Middle East & Africa^{*2}	106.3%	96.6%	98.9%
South & Central America	94.2%	98.9%	96.7%
Asia & Oceania	96.4%	98.7%	99.3%
Reinsurance^{*3}	90.7%	-	-
Total Non-Life^{*4}	96.5%	95.9%	98.1%
Life	-	-	-
Total	96.5%	95.9%	98.1%



A Member of the Tokio Marine Group

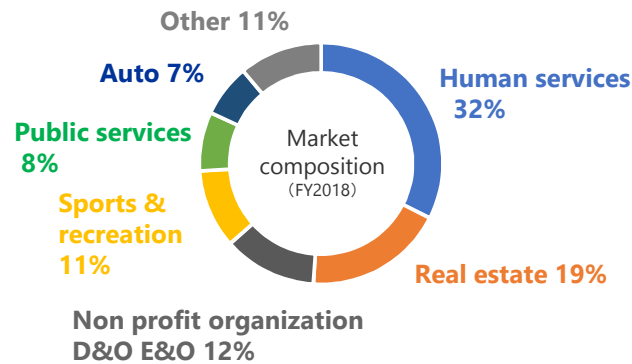
Business unit profit



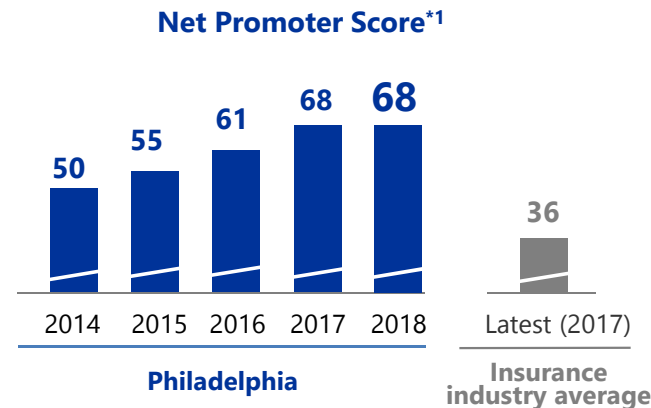
FX rate (USD/JPY)	End Dec 2017	End Dec 2018	End Sept 2019
	113.0 yen	111.0 yen	107.9 yen

Strategies

Focus on niche markets



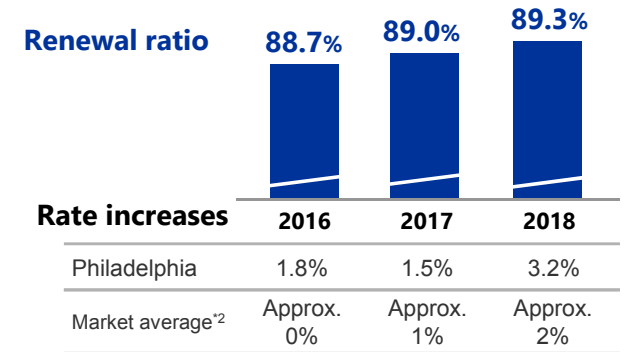
Strong customer loyalty



*1: Indicator to measure customer loyalty and their willingness to use products/services continuously. It shows how likely a customer recommends a brand to others.

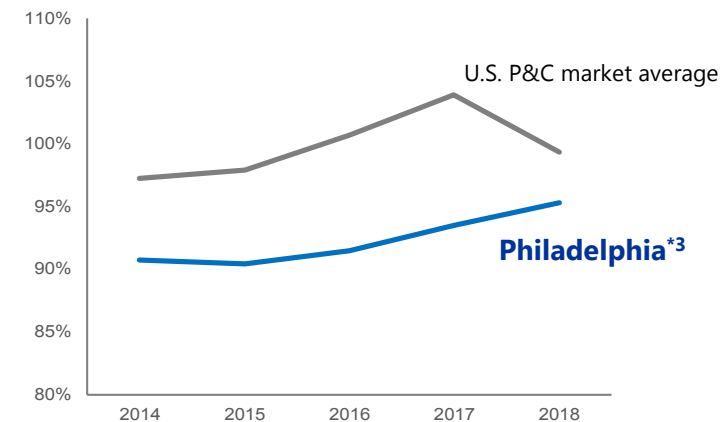
Results

High renewal ratio and rate increases



*2: Source: Willis Towers Watson

Combined ratio

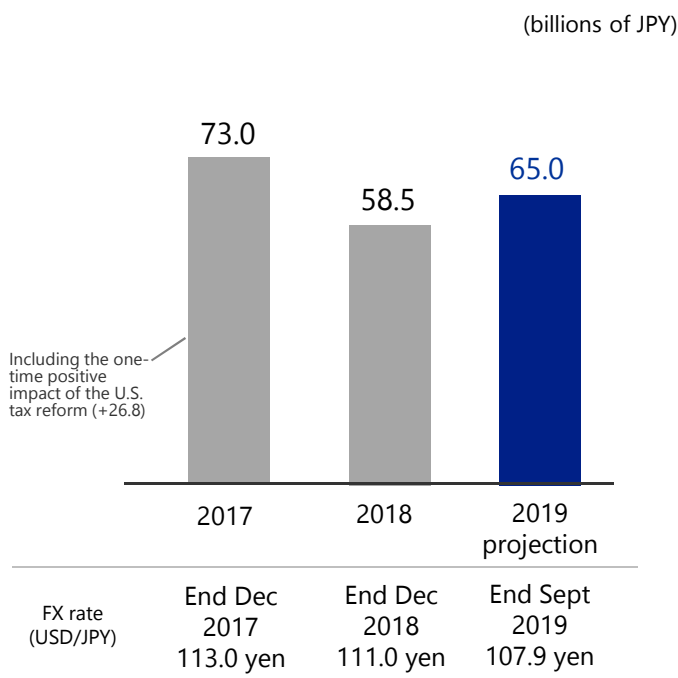


*3: Local management accounting basis.



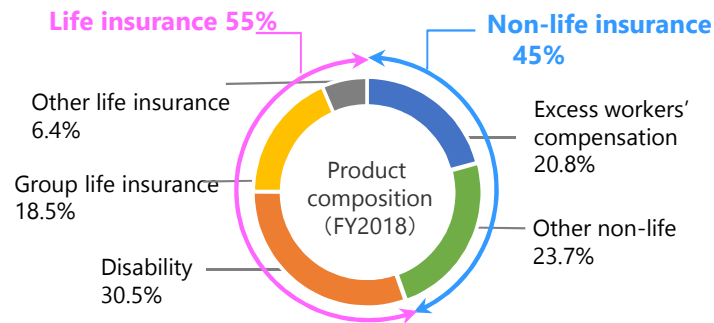
A member of the Tokio Marine Group

Business unit profit

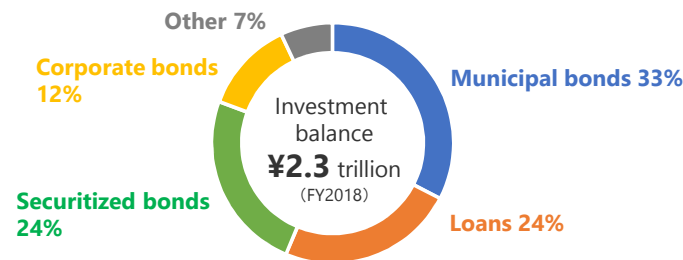


Strategies

Strength in employee benefits and retirement products/services



Diversified investment portfolio

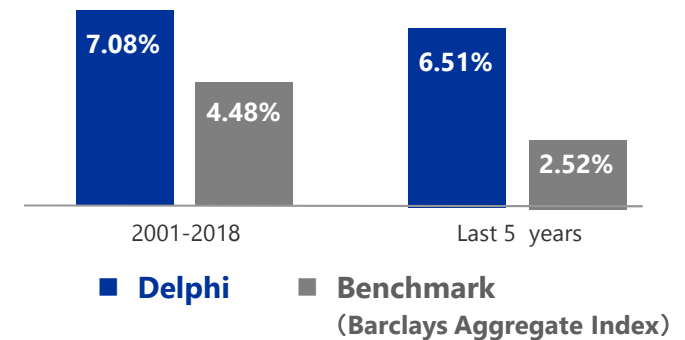


- Abilities of gathering and analyzing information, leveraging its extensive networks such as external investment managers
- Cautiously balance the investment portfolio, reflecting changes in financial environments

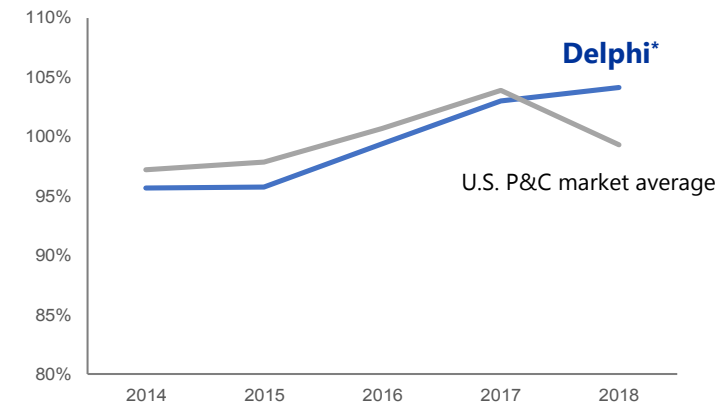
Results

High investment returns

Average returns compared with the market



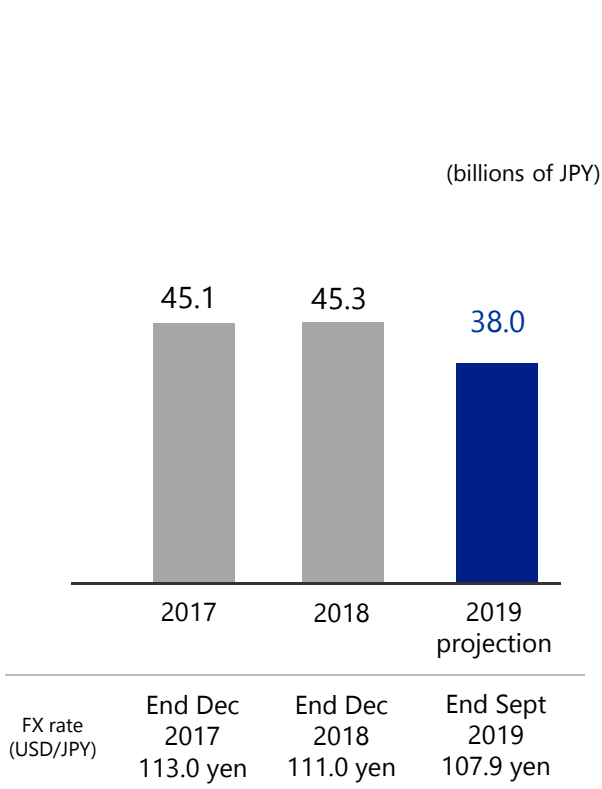
Combined ratio



*: Local management accounting basis. 2018 shows a one-time increase due to reserve adjustments but this improves to 99.5% for the period of January to June 2019.



Business unit profit



Strategies

■ Bolt-on M&A to reinforce our strengths



(Oct. 2018)



(Apr. 2019)

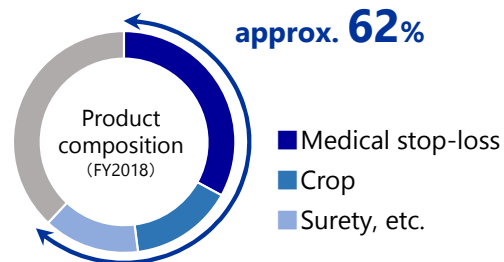


AmTrust Ag
(May. 2019)

- A UK-based insurance agency holdings company
- Provide Professional Indemnity and Employers and Public Liability insurance via online platform
- A US-based Managing General Agent, which mainly offers cyber and professional Indemnity insurance
- Wholly owned in order to capture high profitability and growth potential

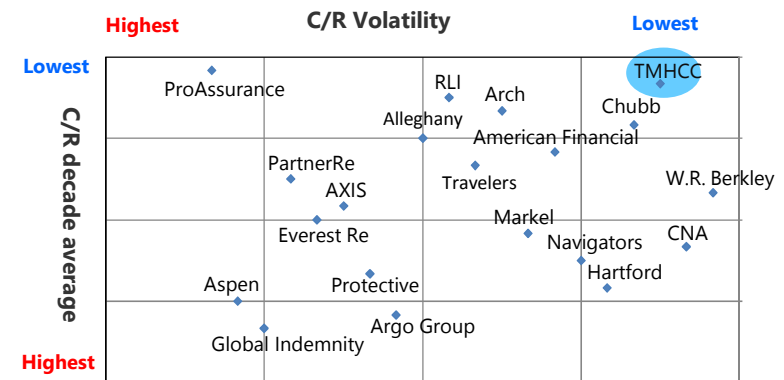
- A US-based Crop Managing General Agent of AmTrust Group
- Aim to improve profitability through the business expansion

■ Specialty insurance that are less dependent on the P&C market cycles



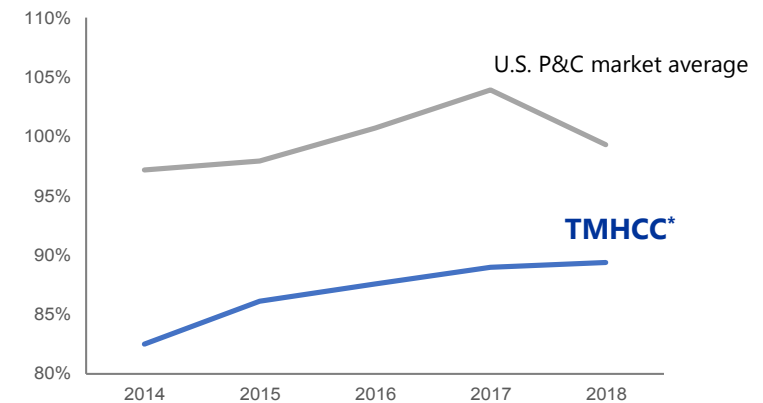
Results

■ Stable profitability



Source: Created by Tokio Marine from Company Reports, Dowling & Partners Analysis (based on data through Dec. 31, 2018)

■ Combined ratio

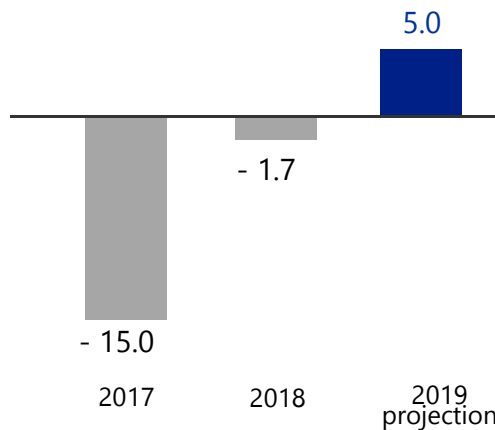


*: Local management accounting basis.



Business unit profit

(billions of JPY)



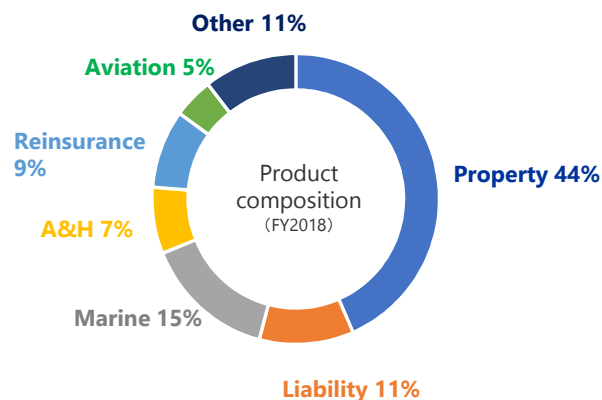
FX rate (GBP/JPY)	End Dec 2017	End Dec 2018	End Sept 2019
	151.9 yen	140.4 yen	132.6 end

Strategies

■ Restructuring of European operations

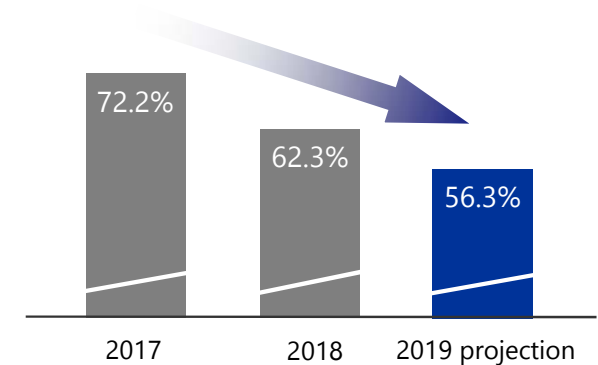
- Announced restructuring the European operations in June 2019 for TMK to focus on businesses in Lloyd's
- Focus on underwriting Lloyd's specialty lines such as property and cyber insurance in the U.S., U.K., Asia, etc.

■ Underwriting products in Lloyd's

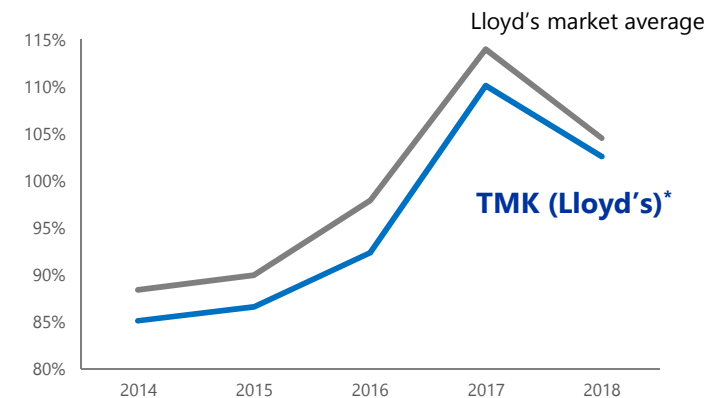


Results

■ Improve loss ratio



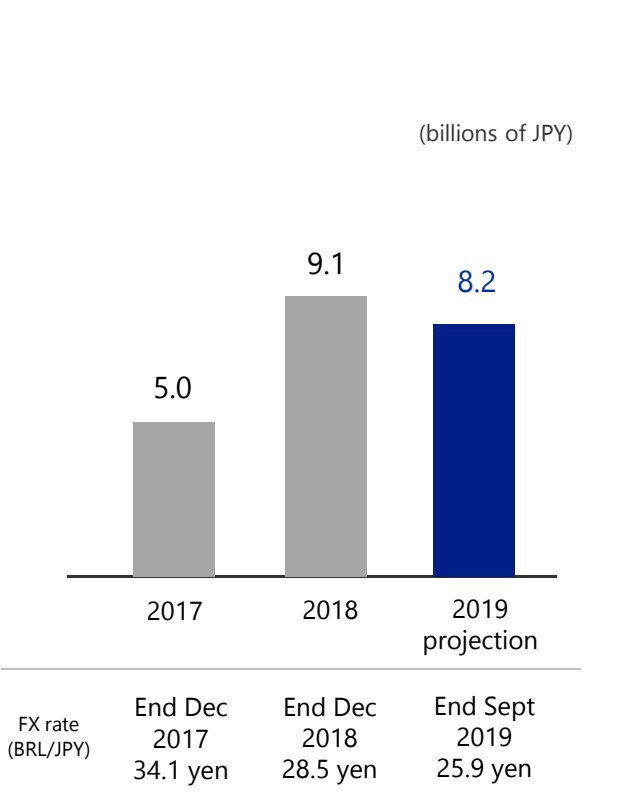
■ Combined ratio



*: Local management accounting basis.

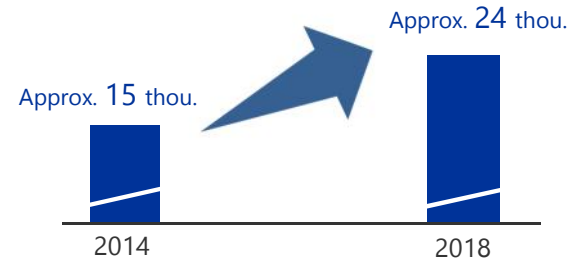


Business unit profit



Strategies

Expanding the number of brokers



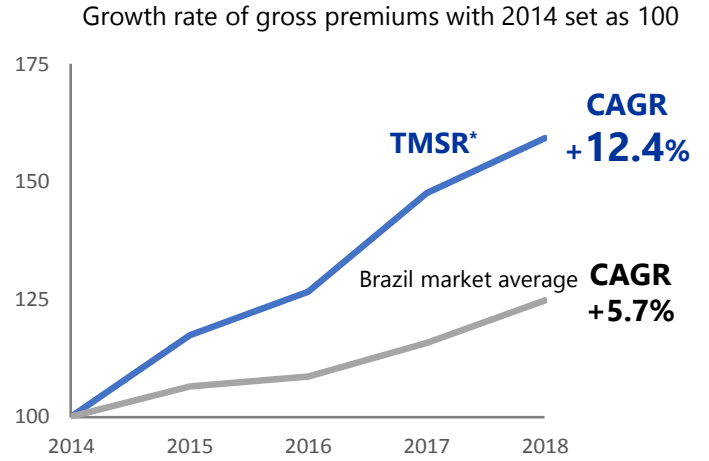
- Provide systems and contact centers to support sales activities of brokers

Product & Service strategies

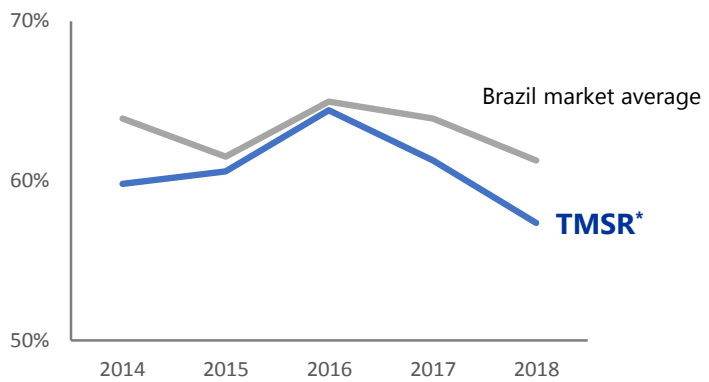
- Realize growth with profitability by flexibly adjusting premium rates
- Utilize wireless technology to reduce theft risk and develop specialized products
- Enhance service quality by providing in-house contact center of road assistance service

Results

Growth exceeding the market



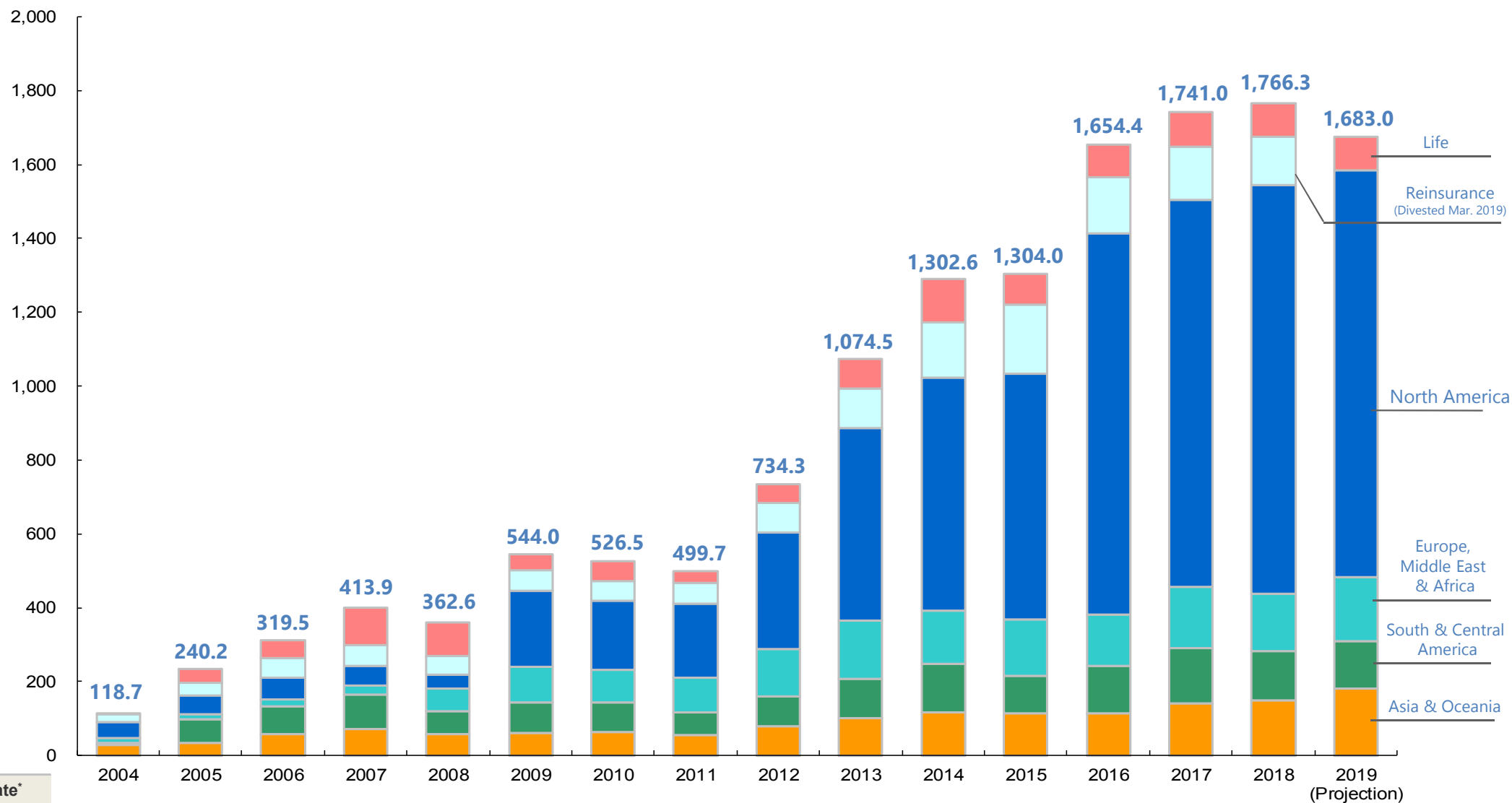
Stable auto insurance loss ratio



*: Local management accounting basis

Basic Information: International Insurance (Net Premiums Written)

● Net premiums written in international insurance business (billions of JPY)

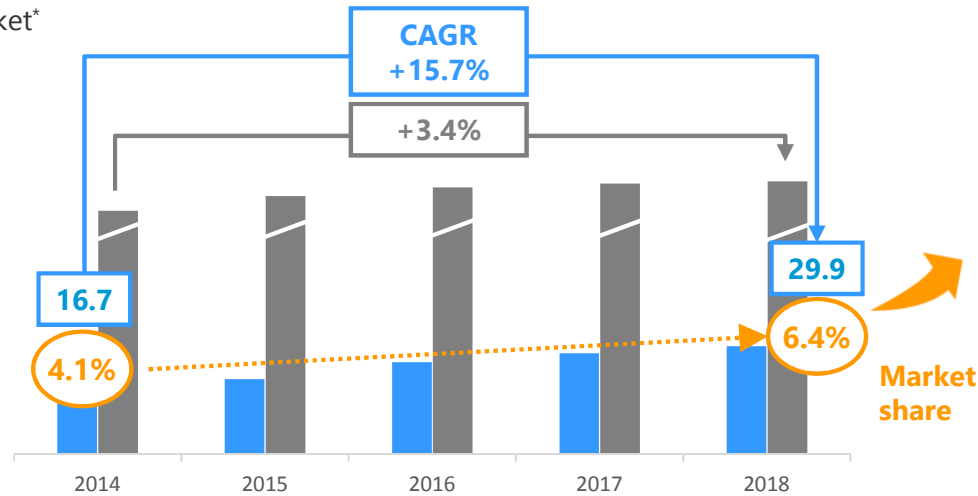


*: FX rates are as of the end of December for each year. (FX rate for FY2019 projection is as of the end of September 2019.)

Strong growth in the direct sales market

<Direct net premiums written in the last 5 years (billions of JPY)>

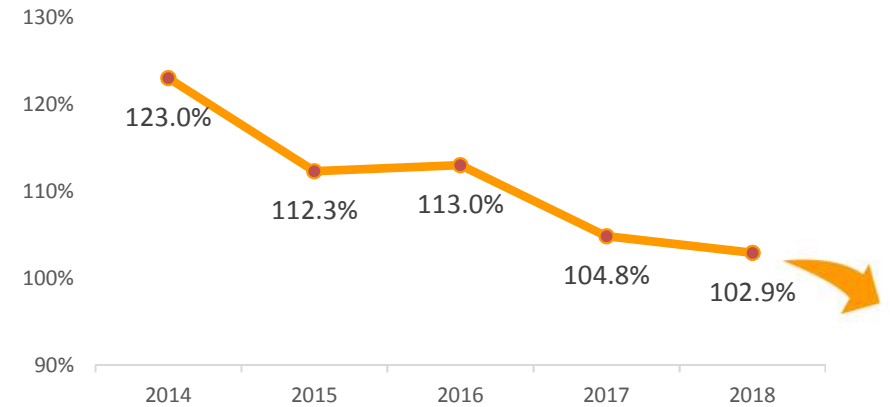
- E.design
- Market*



*: Sony, American Home, AXA, Mitsui Direct, Saison, SBI, E.design, Sompo 24, Zurich
(Source: Insurance Statistics (Sonpo Toukeigo), company websites)

Profitability improved while pursuing growth

<Combined ratio in the last 5 years (private insurance E/I basis)>



Glowing external reviews



One-click insurance premium quote for auto insurance

30 clicks → 1 click

In the past, obtaining a quote for insurance required around 30 clicks. E.design has narrowed down questions and created a new customer experience where a quote can be obtained with just one click



Ranked No.1 in the auto insurance ranking chosen by experts for six consecutive years



オリコン 顧客満足度

No.1 in the 2018 Oricon (a research company) auto insurance "accident management" section



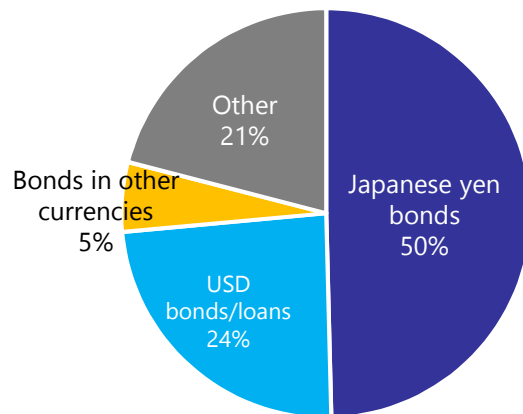
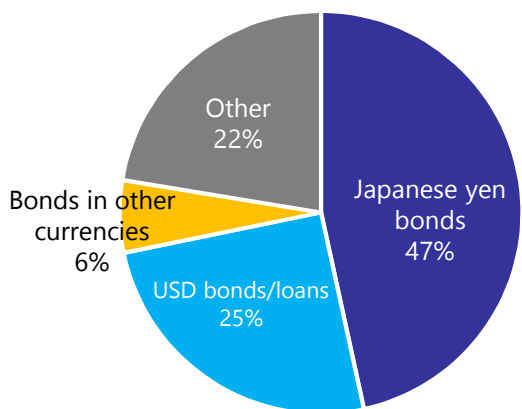
Three stars (highest) in the non-life insurance industry online support ranking for seven consecutive years

Secure long-term and stable investment income under a policy reflecting the characteristics of insurance liabilities with ALM at the core while enhancing investment structures across the Group

Enhance ALM and diversify assets based on insurance liabilities

End of March 2019

End of September 2019



20.4tn yen	AUM	21.6tn yen
9.50tn yen	JPY bonds	10.70tn yen
5.14tn yen	USD bonds/loans	5.16tn yen

Group-wide decision-making and enhancement of corporate functions

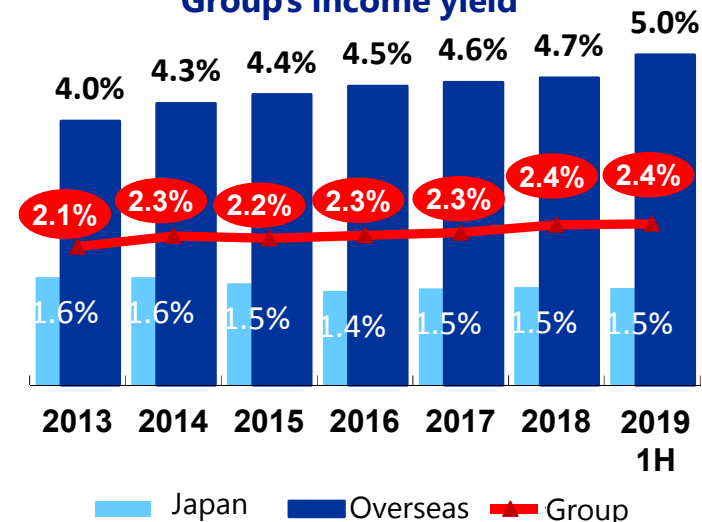
Japan and overseas personnel exchanges

Group Co-CIOs structure

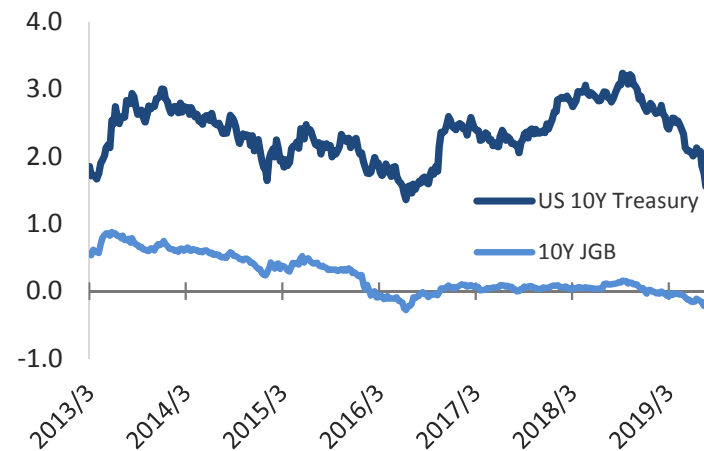
Global investment strategy committee

Maintain stable yield

Group's income yield



(Reference) Open market rates

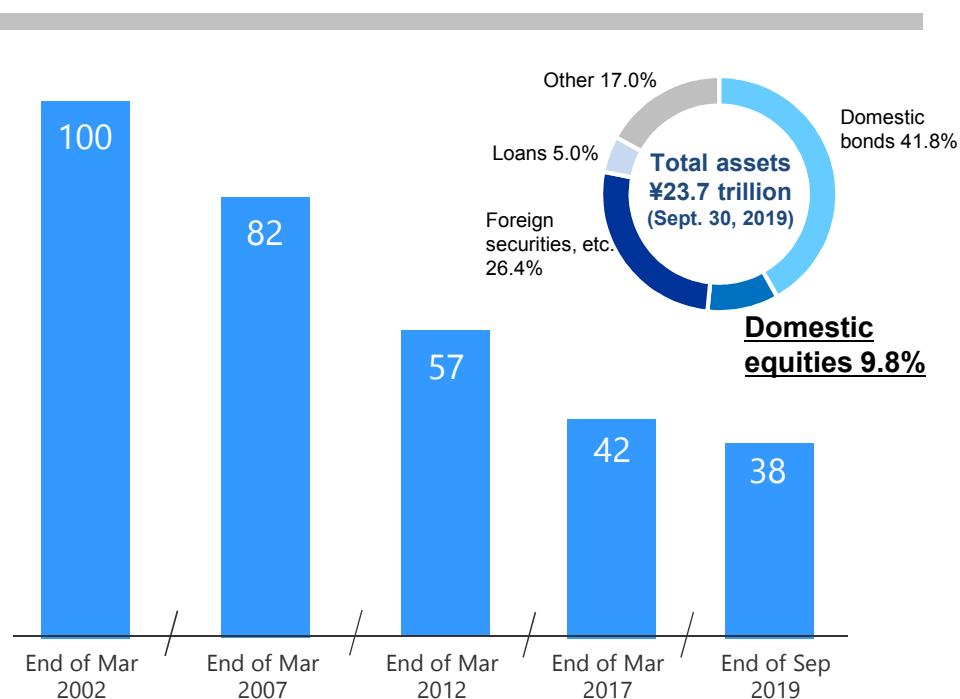


Ongoing efforts to reduce business-related equities

- Book value of business-related equities declined to 38% from Mar. 31, 2002 through steady action
- Sold total amount of approx. ¥2.1 trillion*¹ since FY2002
- In this mid-term business plan, we will also plan to sell ¥100 billion or more a year

*1: Market price at the time of sale

Book value of business-related equities*²



*2: Indexed to the end of Mar 2002 as 100.

Sales amount

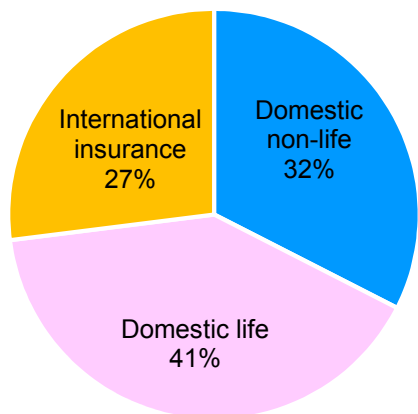
- **Previous Mid-Term Business Plan (2015-2017)**
Plan: Sell ¥100bn or more each year
Results: Sold ¥100bn or more each year

Fiscal year	Sales amount
2015	¥122.0bn
2016	¥117.0bn
2017	¥108.0bn
3 year Total	¥347.0bn

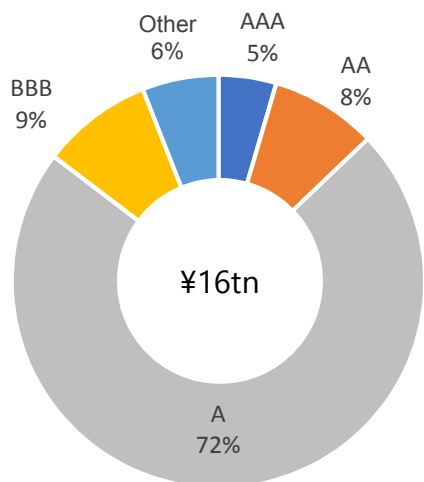
- **Mid-Term Business Plan (2018-2020)**
Plan: Continue selling ¥100bn or more each year
Results: Sold ¥107.0bn in FY2018

Investment Portfolio (End of Sep 2019)

■ By business segment



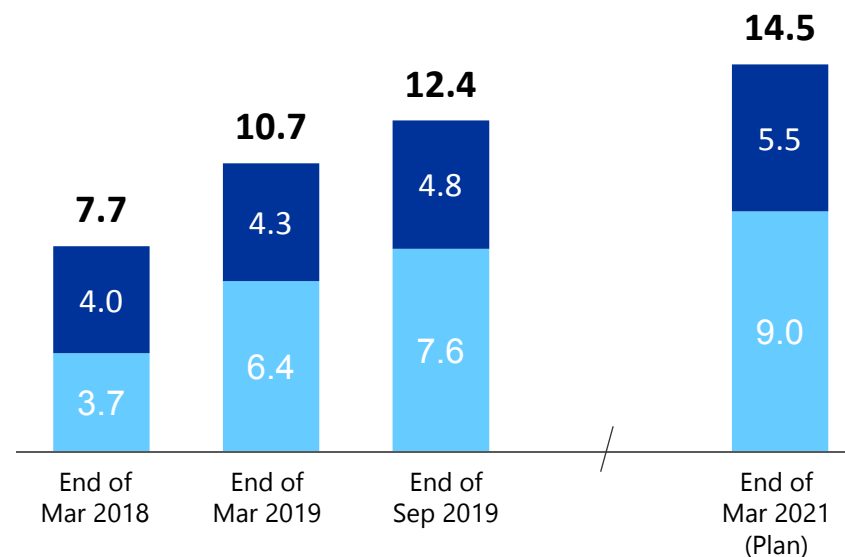
■ Bonds and similar assets by rating



Investment synergy with Delphi

AUM in Delphi (excl. Delphi's own AUM)

(billions of USD)



■ Domestic subsidiaries: TMNF, TMNL, NF
 ■ Overseas subsidiaries: Philadelphia, TMHCC, TMAIC,
 Tokio Millennium Re (AUM is zero from the end of Mar 2019 related to divestment)

Collaborate with diverse partners and pursue new value provision based on three concepts: "Mission Driven," "Fusion of People's Power and Technologies" and "Global Digital Synergies"

Increase contact points with customers



Improve CX

Upgrade insurance underwriting

Offer the optimal insurance product to each customer (*AI Hoken*) using NTT DOCOMO's subscriber data (scheduled to start in December 2019)



Improve CX

Upgrade insurance underwriting

Offer an improved CX system to purchase insurance policies through e-commerce websites, etc.

Created a structure to seamlessly purchase air ticket cancellation insurance from the air ticket purchase screen



Improve CX

Support customers' efforts to improve health through an AI-based health advice app



Improve CX

Offer medical treatment information and medical consultation service through a highly reliable medical information platform



Upgrade insurance underwriting

Consider developing new products/services for diabetics, who account for 10% of the population in India

Enhance claims services



Improve CX

Operational efficiency

Simple and speedy insurance claims payments to enable a pleasant CX using Metromile's state-of-the-art digital technology



Improve CX

Operational efficiency

Prompt and thorough insurance claims payments by quickly identifying flooded areas using Orbital Insight's satellite image analysis technology

Mobility area



Upgrade insurance underwriting

Operational efficiency

Consider using data analysis and AI in the claims service area

Consider developing products/services for an era of autonomous driving



Upgrade insurance underwriting

Contribute to secure and spread mobility in the ultra aged society

Research and develop new products/services suited to a MaaS society

Tokio Marine Group has promoted ESG (Environment, Society and Governance) through our business activities and has received numerous awards and praises in Japan and overseas

SRI/ESG indices including Tokio Marine Group



Awards received in Japan



- Our company was selected as one of the 2019 Health & Productivity Stocks. We were also selected as an Excellent Enterprise of Health and Productivity Management/Large Enterprise Category (White 500), together with our five Group companies



- Selected as a *Nadeshiko Brand* in FY2018 following from FY2013, 2015 and 2017



- Won the Best Resilience Award and Excellent Resilience Award at the 2019 Japan Resilience Award



- Commended by the Minister in charge for our initiatives to help revitalize local economies for three consecutive years

Awards received overseas

- Our overseas Group companies were selected as one of the “Best Places to Work in Insurance” in the U.S. and one of the “Best Workplaces for Women” in Brazil



Awards related to disclosure



2019 Award for Excellence in Corporate Disclosure
—Industries—
SAAJ The Securities Analysts Association of Japan

- Received the Award for Excellence in Corporate Disclosure in the Insurance/Securities industry



- Sustainability Report 2018* won the Excellent Sustainability Report Award



- Our IR site received high evaluations from external evaluators



Participate in various international initiatives and conduct surveys, researches and proposals in order to contribute to building a safe, secure and sustainable future. Also, actively work on SDGs and contribute to solving social issues utilizing our expertise in insurance and risk consulting

Initiatives Tokio Marine Group is participating

WE SUPPORT



UN Global Compact

- Expressed continuous support since becoming a signatory in 2005
- Participated in "Training for Tomorrow's Management," "SDGs Working Group," and "Disaster Risk Reduction Working Group" in 2018

Principles for Responsible Investment

- In Tokio Marine Group, Tokio Marine & Nichido and Tokio Marine Asset Management became signatories to promote responsible and sustainable investment



United Nations Environment Programme Finance Initiative (UNEP FI)

- Participating in the insurance committee as a representative director of the Asian region
- Participated in the UNEP FI Regional Roundtable for Asia Pacific for UNEP FI's 25th anniversary and the Tokyo Dialogue on Sustainable Finance for the G20 meeting



Principles for Sustainable Insurance

- Became a signatory in 2012 as a drafting committee member. Joined the PSI TCFD Insurer Pilot Working Group in FY2018 to promote the creation of a framework for climate-related information disclosure in line with TCFD recommendations

Principles For Financial Action for the 21st century



Asia-Pacific Financial Forum



IDF



CDP



Japan Sustainable Investment Forum



Task Force on Climate-related Financial Disclosures



UNISDR Private Sector Alliance for Disaster Resilient Societies



Eco First



The Geneva Association



COOL CHOICE



ClimateWise

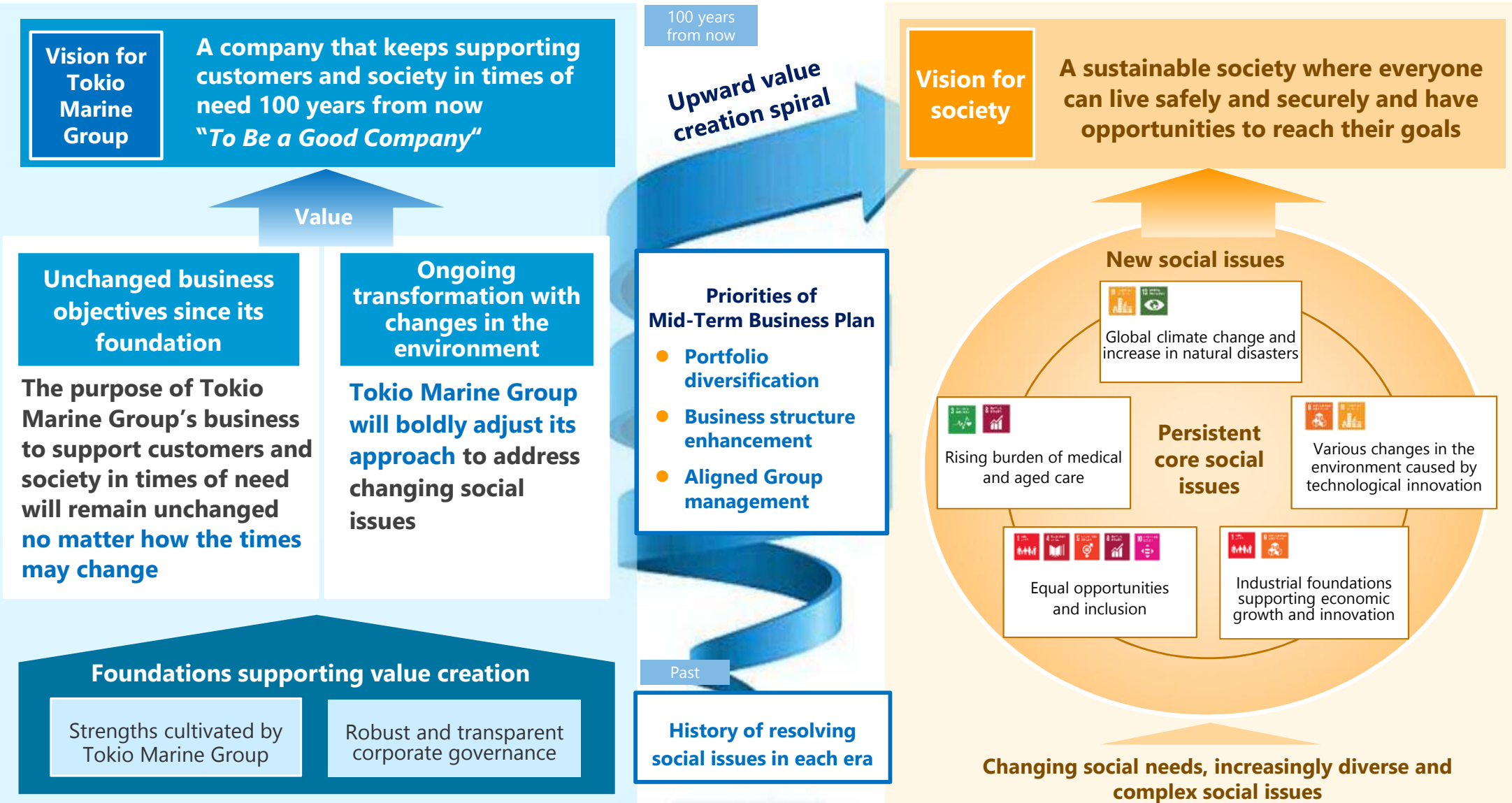


Forum for Integrated Corporate Disclosure and ESG Dialogue



Tokio Marine Group's Value Creation Story

Continue to contribute solving social issues with the changes in time so as to realize a sustainable society, which will in turn result in the sustainable growth of our company



Actively contribute to environmental protection, biodiversity preservation and the creation of environmental values through our business

Our environmental initiatives

■ Create a green society through insurance business

- Offer drone insurance to encourage wider use of environmentally-friendly drones
- Offer special insurance and services for solar/geothermal power companies to contribute to the spread of clean energy
- Contribute to the protection of the natural environment by offering environment liability insurance
- Promote web-based insurance contracts and paperless insurance policies



■ Create a green society through financial business

- Provide funds* that invest in renewal energy generation facilities to facilitate the introduction of clean energy
- Offer a low-carbon Japanese equity fund comprising shares of Japanese companies working on greenhouse gas emission reduction

* TM Japan Solar Energy Fund 2012, 2013, 2014,
TM Japan Renewable Energy Fund 2017

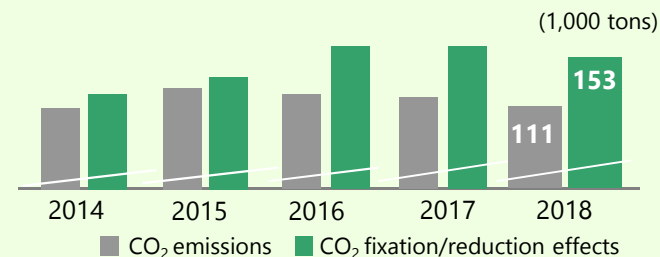
■ Initiatives to reduce environmental footprint

- Achieve carbon neutral by planting mangroves and promoting the use of natural energy as well as working on CO2 emissions reduction

Renewable energy fund's track record (as of the end of Mar. 2019)

Committed amount: **approx. ¥52.0**bn
Constructed: **42** plants

Carbon neutral for 6 consecutive years



Contribute to a sustainable environment

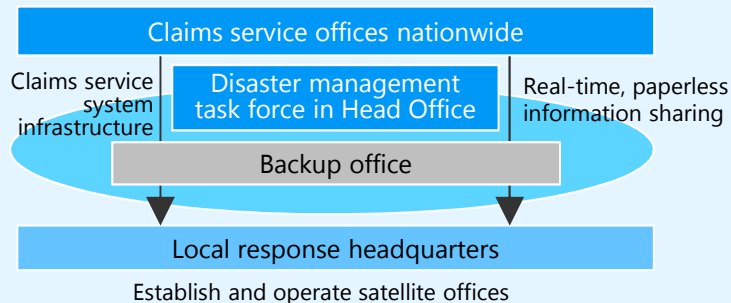
Contribute to solving social issues by providing safety and security to customers and society through our business

Our social initiatives

■ Response to natural disasters that are increasingly becoming larger in scale

- Help customers in times of need and support the efforts to restore the affected areas and the livelihood of the disaster victims
- Build a structure that focuses on response to disaster victims in order to deliver insurance payment as soon as possible to provide a sense of security

<Claims service structure for large-scale disasters>



Damage assessment



Disaster management task force



Loading relief supplies onto a truck



Checking customers' damage

■ Provide insurance products to solve social issues

- Developed the industry's first insurance coverage in response to the progress in autonomous driving technology
- Offer services using our original drive recorder device for a safe and secure car life
- Provide farmers in India with low-cost insurance products to help develop agriculture and solve the problem of poverty
- Support customers' efforts to get healthier by offering *Aruku Hoken* that rewards those who try to remain healthy



Contribute to solving social issues through our business

■ Promote health & productivity management

- Steadily implement PDCA to improve employees' health, revitalize the organization, and enhance corporate value
- Support customers' health & productivity management utilizing the know-how accumulated in the Group

■ Support regional revitalization

- Assist SMEs in stabilizing their business through local governments, chambers, associations of commerce and industry, and others
- Actively support inbound business and overseas business development of local companies

■ Promote active and equal participation of women

- Organize various systems to promote active and equal participation of women and provide them with opportunities to take on challenges
- Accelerate initiatives to appoint female managers and nurture female management candidates

■ Promote the building of an inclusive society and develop future generations

- Offer on-site lessons and seminars to raise awareness of disaster reduction
- Hold dementia support training programs nationwide and offer products that support people with dementia
- Support the Japanese Para-Sports Association, Japan Inclusive Football Federation, and Special Olympics Nippon Foundation

Companies supporting health & productivity management

FY2019 approx. **1,800** companies

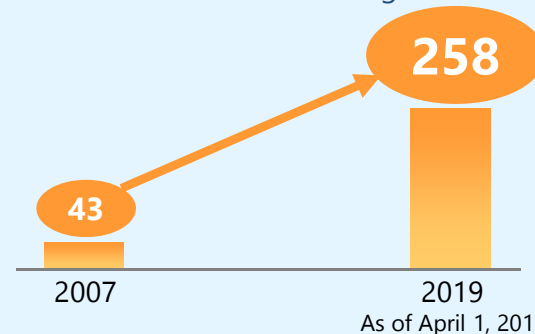
*Based on our survey.

Companies TMNF helped develop BCP

Cumulative total of approx. **1,500** companies

*FY2016-2017 (Based on our survey)

Number of female managers (TMNF)



Tokio Marine Nichido Fire
Supports Tokyo 2020 as a Gold Partner (non-life insurance) of the Olympic and Paralympic Games Tokyo 2020



Tokyo 2020 Gold Partner (non-life insurance)

Contribute to solving social issues through our business

In April 2016, we introduced a function-based Chief Officer system and enhanced and newly established committees to globalize and strengthen our management structure
 Top executives in overseas offices helped solve the Group’s management challenges utilizing their expertise
 The CEO focuses more on the management of the Group as well as promote initiatives to spread our Group culture

Globalization and enhancement



Group CEO/CCO

Chief Culture Officer

- Focus on Group management
- Initiatives to spread our Group culture

Group Chief Officers (by function) Responsible dept.

CFO Financial	Corporate Planning
CRO Risk	Risk Management
CSSO Strategy and Synergy	Strategy and Synergy
CDO Digital	Strategy and Synergy
CRSO Retention Strategy	Global Retention Strategy
CIO Investment	Financial Planning
CHRO Human Resources	Human Resources
CWO Wellness	Human Resources
CITO Information Technology	IT Planning
CISO Information Security	IT Planning

Committees

Top management both in Japan and overseas discuss various Group management issues

- ERM Committee
- International Executive Committee (IEC)
- Global Retention Strategy Committee (GRSC)
- Global Investment Strategy Committee (GISC)
- Global Information Technology Committee (GITC)

Unleash the Group’s total power



- Create synergies across the international borders and share best practices
- Combine the knowledge of the Group to solve Group-wide problems
- Involve overseas personnel in Group management

Realize a balanced corporate governance system and a directors' compensation system linked to performance and stock price

We are currently promoting various initiatives to achieve sound and highly transparent corporate governance

Balanced corporate governance system

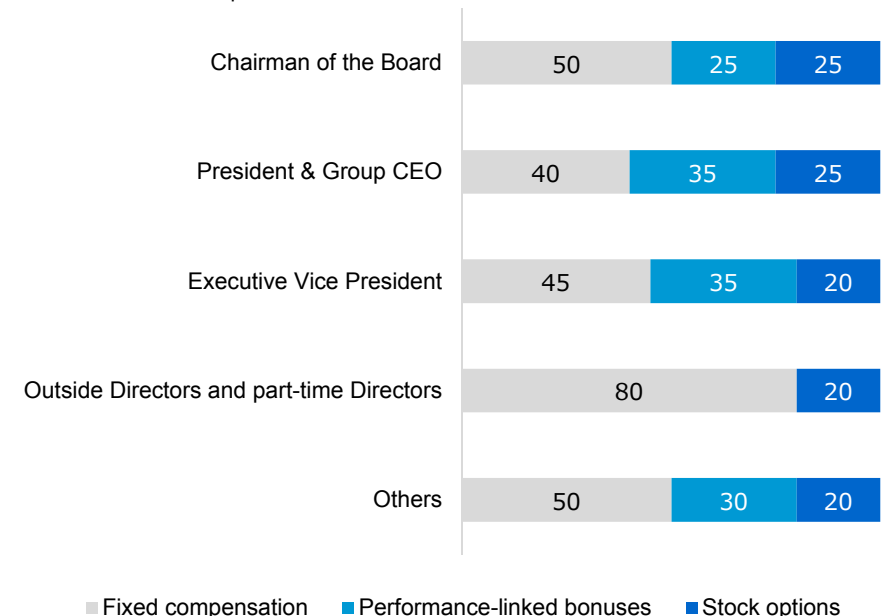
- We adopt a hybrid corporate governance structure based on a Company with Audit & Supervisory Board model, combining the Nomination Committee and Compensation Committee
- All committees feature a well-balanced membership representing viewpoints and expertise from diverse fields



Compensation system linked to performance and stock price

- Directors' compensation consists of fixed compensation, performance-linked bonuses and stock options
- In principle, the higher the rank, the greater the ratio of performance-linked bonuses and stock options

<Breakdown of Compensation (FY2018)>



Impact of FX Rate Change on the Group's Financial Results

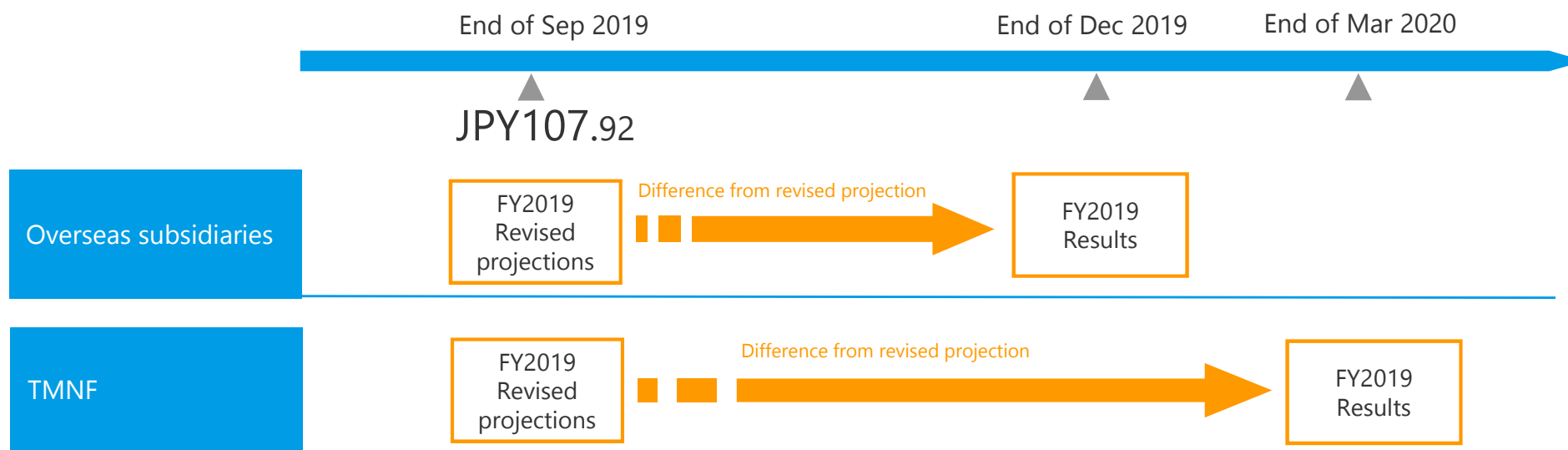
- Estimated impact of the appreciation of JPY to USD by 1 yen*¹ (Compared with the revised projection)

Impact on net income on financial accounting basis* ²		Impact on adjusted net income* ²	
<ul style="list-style-type: none"> Decrease in overseas subsidiaries profit: Approx. -¥0.9bn Decrease in profit from local subsidiaries Decrease in amortization of intangible fixed assets and goodwill Change in the reserve for foreign currency denominated outstanding claims and FX derivatives income at TMNF: Approx. +¥1.3bn 		<ul style="list-style-type: none"> Decrease in overseas subsidiaries profit: Approx. -¥1.6bn (Of the factors stated in the left, amortization of intangible fixed assets and goodwill has no impact as it is added back to adjusted net income) Change in reserves for foreign currency denominated outstanding claims and FX derivatives income at TMNF: Approx. +¥1.3bn 	
Total:	Approx. +¥0.4bn	Total:	Approx. -¥0.3bn

*1: Assumes the FX rate of each currency changes by the same margin as the US dollar.

*2: Estimated impact on the FY2019 projections on an after-tax basis.

- Reference: applied FX rate (USD/JPY)



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*To Be a **Good Company***



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