

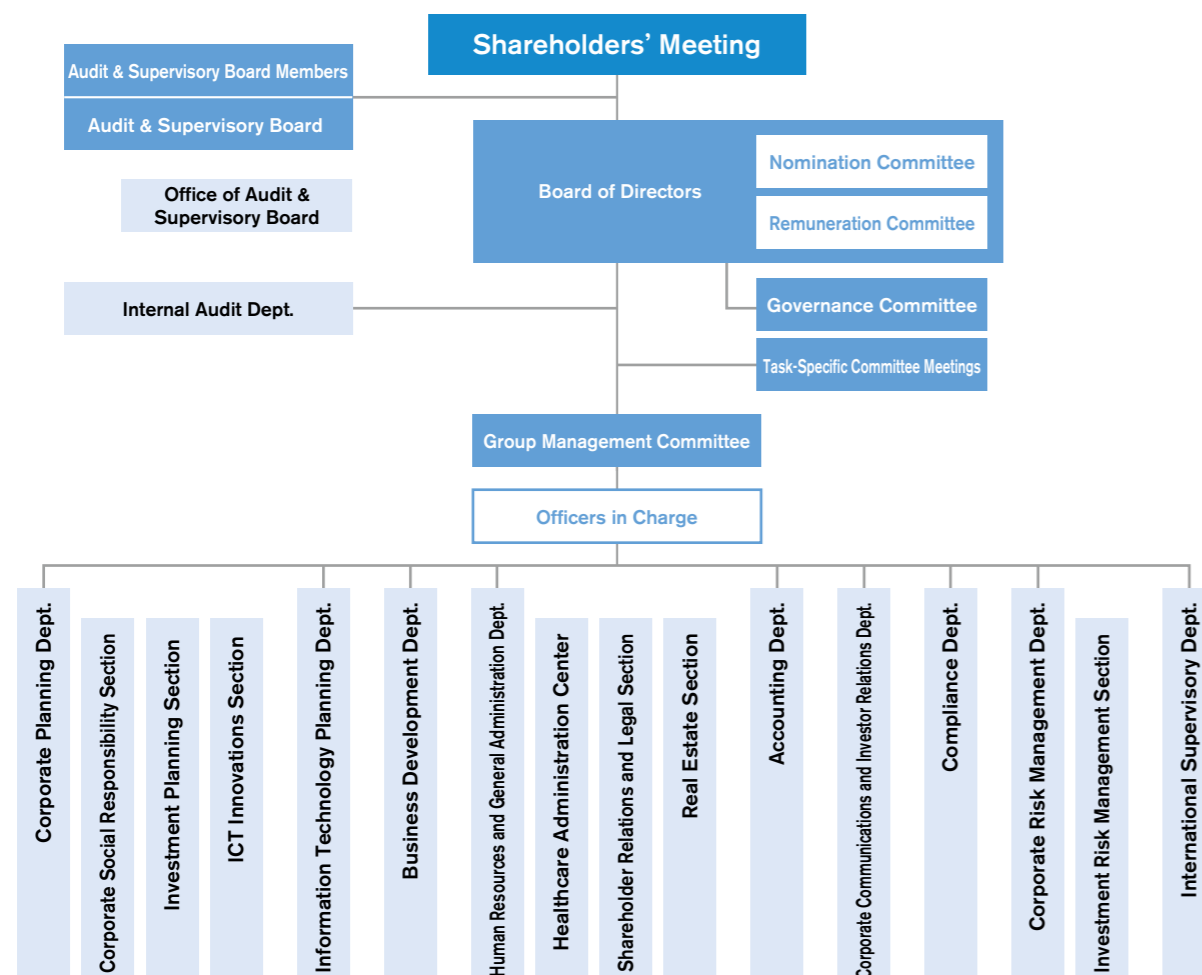
Corporate Profile

MS&AD Insurance Group Holdings is an insurance holding company. The Company controls the entire MS&AD Insurance Group, planning strategies and allocating management resources across the Group, as well as monitoring and overseeing Group companies. The Company has thus established a system for Group corporate governance.

The Company will be the force to maximize the total potential of the Group, forming the center of efforts to raise the level of management control, pursue Group synergies, accelerate decision making, and develop human assets through various business frameworks and personnel systems.

Corporate name	MS&AD Insurance Group Holdings, Inc.
Date established	April 1, 2008 (Name changed on April 1, 2010)
Headquarters	27-2, Shinkawa 2-chome, Chuo-ku, Tokyo, Japan
Representative	Representative Director, President & CEO Yasuyoshi Karasawa
Paid-in capital	¥100,000 million
Number of employees	329 (40,641 on a consolidated basis) (As of March 31, 2017)
Business description	Our activities as an insurance holding company are as follows: 1. Management of non-life and life insurance companies and companies qualified to become subsidiaries under the Insurance Business Act. 2. Any business associated with the above.
Stock listings	Tokyo Stock Exchange (First Section) Nagoya Stock Exchange (First Section)

MS&AD Insurance Group Holdings, Inc. / Organizational Chart



Stock and Shareholders (As of March 31, 2017)

1. Summary of Issued Shares

Class of Stock	Common stock	Total Number of Authorized Shares	900,000,000
Total Number of Issued Shares	633,291,754	Number of Shareholders	61,701

2. Shareholding Profile

Breakdown by Sector

Item	Japanese Financial Institutions	Japanese Securities Companies	Other Japanese Companies	Foreign Companies and Individuals	Japanese Individuals and Others	Total
Number of Shareholders	165	60	1,543	783	59,150	61,701
Number of Shares Held (millions)	196.97	16.57	98.77	226.66	94.29	633.29
Percentage of Shares Issued	31.1%	2.6%	15.6%	35.8%	14.9%	100.0%

Breakdown by Number of Shares Held

Item	1-99	100-999	1,000-9,999	10,000-99,999	100,000 and Above	Total
Number of Shareholders	18,825	30,243	11,308	919	406	61,701
Percentage of All Shareholders	30.5%	49.0%	18.3%	1.5%	0.7%	100.0%

Breakdown by Region

Item	Hokkaido	Tohoku	Kanto	Chubu	Kinki	Chugoku	Shikoku	Kyushu	Overseas	Total
Number of Shares (millions)	2.06	2.81	308.44	67.15	19.68	2.20	2.22	2.18	226.51	633.29
Percentage of Shares Issued	0.3%	0.4%	48.8%	10.6%	3.1%	0.3%	0.4%	0.3%	35.8%	100.0%

3. Major Shareholders

Shareholder Name	Address	Number of Shares Held (in thousands)	Percentage to Shares Issued (%)
Toyota Motor Corporation	1, Toyota-cho, Toyota-city, Aichi Prefecture	52,610	8.31
NIPPON LIFE INSURANCE COMPANY	1-6-6, Marunouchi, Chiyoda-ku, Tokyo c/o Nippon Life Securities Operations Department	36,325	5.74
The Master Trust Bank of Japan, Ltd. (Trust account)	2-11-3, Hamamatsu-cho, Minato-ku, Tokyo	30,822	4.87
Japan Trustee Services Bank, Ltd. (Trust account)	1-8-11, Harumi, Chuo-ku, Tokyo	24,565	3.88
STATE STREET BANK AND TRUST COMPANY (Standing agent: The Hong Kong and Shanghai Banking Corporation Limited, Tokyo Branch)	One Lincoln Street, Boston, MA 02111, U.S.A. (3-11-1, Nihonbashi, Chuo-ku, Tokyo)	17,795	2.81
Japan Trustee Services Bank, Ltd. (Trust account 5)	1-8-11, Harumi, Chuo-ku, Tokyo	10,836	1.71
STATE STREET BANK AND TRUST COMPANY 505225 (Standing agent: Corporate Financial Sales Div., Mizuho Corporate Bank, Ltd.)	P.O. BOX 351 Boston, Massachusetts 02101, U.S.A. (2-15-1 Konan, Minato-ku, Tokyo)	9,809	1.55
THE BANK OF NEW YORK MELLON 140044 (Standing agent: Corporate Financial Sales Div., Mizuho Corporate Bank, Ltd.)	225 LIBERTY STREET, NEW YORK, NEW YORK, U.S.A. (2-15-1 Konan, Minato-ku, Tokyo)	9,254	1.46
CBNY - GOVERNMENT OF NORWAY (Standing agent: Citibank, N.A., Tokyo Branch)	BANKPLASSEN 2, 0107 OSLO 0107 NO (6-27-30, Shinjuku, Shinjuku-ku, Tokyo)	8,667	1.37
Japan Trustee Services Bank, Ltd. (Trust account 1)	1-8-11, Harumi, Chuo-ku, Tokyo	7,997	1.26
Total		208,684	32.95

Note: Apart from the shares shown above, the Company holds 40,884 thousand shares (6.46%) as treasury stock.

4. Changes in Total Number of Issued Shares, Paid-in Capital, etc.

Date	Issued Shares		Paid-in Capital		Capital Reserves	
	Increase	Balance	Increase	Balance	Increase	Balance
April 1, 2010	211,971 thousand	633,291 thousand	—	¥100,000 million	¥550,064 million	¥729,255 million

Note: The increases in the total number of issued shares and capital reserves were due to the issue of new shares at the time of an exchange of shares between the Company and both Aioi and NDI.

5. Basic Information

Fiscal Year	April 1 to March 31 of the following year
Annual Shareholders' Meeting	Within three months of the end of each fiscal year
Record Date	Ordinary General Meeting of Shareholders: March 31, every year Year-end dividends: March 31, every year Interim dividends: September 30, every year
Method of Public Notification	Electronic reporting can be found online at http://www.ms-ad-hd.com/ir/notification/index.html (Japanese only) In the event of an incident or other event that prevents electronic reporting, the Company will publish its notifications in the Nikkei newspaper.
Stock Exchange Listings	Tokyo Stock Exchange and Nagoya Stock Exchange (First Section)
Administrator of Shareholders' Registry	Sumitomo Mitsui Trust Bank, Limited
Place of Business of Administrator of Shareholders' Registry:	Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Dept. (1-4-1, Marunouchi, Chiyoda-ku, Tokyo, Japan)
Special Account Management Institution:	Sumitomo Mitsui Trust Bank, Limited*
(Postal Address)	Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Dept. (2-8-4, Izumi, Suginami-ku, Tokyo 168-0063, Japan)
Telephone Inquiry	☎ 0120-782-031

* Following a share exchange effective April 1, 2010, the Company inherited the responsibility for a special account that was established on the same day for the shareholders of Aioi and NDI. As a result, the special account management institution for prior shareholders of these two companies will continue to be Mitsubishi UFJ Trust and Banking Corporation (1-4-5, Marunouchi, Chiyoda-ku, Tokyo).

Group Business Schematic (As of March 31, 2017)

The primary businesses undertaken by MS&AD Holdings and its Group companies (subsidiaries and affiliates), and the main Group companies undertaking each business, are listed below.



Note: The above shows the primary consolidated subsidiaries and other entities in each business.
The ★ and ● symbols indicate the following: ★: Consolidated subsidiary ●: Equity-method affiliate

Main Subsidiaries

1. CONSOLIDATED SUBSIDIARIES

Name of Company	Location	Date of Incorporation	Principal Business	Paid-in Capital	Voting Rights of MS&AD Holdings (%)	Voting Rights of Subsidiaries (%)
Mitsui Sumitomo Insurance Co., Ltd.	Chiyoda-ku, Tokyo	Oct. 21, 1918	Domestic Non-Life Insurance	¥139,595 million	100.0%	—
Aioi Nissay Dowa Insurance Co., Ltd.	Shibuya-ku, Tokyo	June 30, 1918	Domestic Non-Life Insurance	¥100,005 million	100.0	—
Mitsui Direct General Insurance Co., Ltd.	Bunkyo-ku, Tokyo	June 3, 1999	Domestic Non-Life Insurance	¥39,106 million	86.4	—
au Insurance Company, Limited	Shibuya-ku, Tokyo	Feb. 23, 2010	Domestic Non-Life Insurance	¥2,400 million	—	66.6%
Mitsui Sumitomo Aioi Life Insurance Co., Ltd.	Chuo-ku, Tokyo	Aug. 8, 1996	Domestic Non-Life Insurance	¥85,500 million	100.0	—
Mitsui Sumitomo Primary Life Insurance Co., Ltd.	Chuo-ku, Tokyo	Sept. 7, 2001	Domestic Non-Life Insurance	¥41,060 million	100.0	—
MITSUMI SUMITOMO INSURANCE Venture Capital Co., Ltd.	Chuo-ku, Tokyo	Dec. 6, 1990	Financial Services	¥1,000 million	—	100.0
InterRisk Research Institute & Consulting, Inc.	Chiyoda-ku, Tokyo	Jan. 4, 1993	Risk-Related Services	¥330 million	100.0	—
MSIG Holdings (Americas), Inc.	New York, U.S.A.	Oct. 21, 1988	International	US\$4,126 thousand	—	100.0
Mitsui Sumitomo Insurance USA Inc.	New York, U.S.A.	Jan. 28, 1988	International	US\$5,000 thousand	—	100.0
Mitsui Sumitomo Insurance Company of America	New York, U.S.A.	Mar. 29, 2001	International	US\$5,000 thousand	—	100.0
Aioi Nissay Dowa Insurance Company of America	New York, U.S.A.	Jan. 11, 1994	International	US\$5,000 thousand	—	100.0
DTRIC Insurance Company, Limited	Honolulu, U.S.A.	Dec. 12, 1978	International	US\$2,500 thousand	—	74.8
DTRIC Insurance Underwriters, Limited	Honolulu, U.S.A.	Feb. 2, 2007	International	US\$2,500 thousand	—	100.0
Mitsui Sumitomo Seguros S/A.	São Paulo, Brazil.	Dec. 15, 1965	International	BRL619,756 thousand	—	100.0
MS Amlin plc	London, U.K.	Sept. 17, 1993	International	UK£143,168 thousand	—	100.0
MS Amlin Corporate Services Limited	London, U.K.	Aug. 1, 1988	International	UK£16 thousand	—	100.0
MS Amlin Corporate Member Limited	London, U.K.	Sept. 19, 1994	International	UK£1,700 thousand	—	100.0
MS Amlin Underwriting Limited	London, U.K.	Nov. 29, 1988	International	UK£400 thousand	—	100.0
Mitsui Sumitomo Insurance (London Management) Ltd	London, U.K.	Jan. 6, 2000	International	UK£35,960 thousand	—	100.0
MSI Corporate Capital Limited	London, U.K.	Jan. 7, 2000	International	UK£5,200 thousand	—	100.0
MS Amlin Investments Limited	London, U.K.	May 12, 1998	International	UK£149,029 thousand	—	100.0
MS Amlin (Overseas Holdings) Limited	London, U.K.	Aug. 24, 2005	International	UK£75,000 thousand	—	100.0
Amlin Insurance SE	London, U.K.	Jan. 4, 2016	International	UK£1,164 thousand	—	100.0
Mitsui Sumitomo Insurance Company (Europe), Limited	London, U.K.	July 28, 1972	International	UK£160,900 thousand	—	100.0
Aioi Nissay Dowa Insurance Company of Europe Limited	London, U.K.	Nov. 12, 2004	International	UK£418,756 thousand	—	100.0
MS Amlin AG	Zurich, Switzerland	Aug. 19, 2010	International	CHF10,000 thousand	—	100.0
MSIG Insurance Europe AG	Koeln, Germany	Apr. 20, 2012	International	€84,000 thousand	—	100.0
Aioi Nissay Dowa Life Insurance of Europe AG	Ismaning, Germany	Dec. 8, 2005	International	€5,000 thousand	—	100.0

Name of Company	Location	Date of Incorporation	Principal Business	Paid-in Capital	Voting Rights of MS&AD Holdings (%)	Voting Rights of Subsidiaries (%)
MS Financial Reinsurance Limited	Hamilton, Bermuda	Nov. 21, 2011	Financial Services	¥46 million	—	100.0
Amlin Bermuda Holdings, Ltd.	Hamilton, Bermuda	Oct. 28, 2005	International	UK£350,207 thousand	—	100.0
Solo Absolute Bonds and Currency Fund	Paris, France	June 10, 2011	International	€950,223 thousand	—	100.0
MSIG Holdings (Asia) Pte. Ltd.	Singapore, Singapore	Sept. 23, 2004	International	S\$1,075 million	—	100.0
MSIG Insurance (Singapore) Pte. Ltd.	Singapore, Singapore	Sept. 23, 2004	International	S\$333,442 thousand	—	100.0
Aioi Nissay Dowa Insurance Company Australia Pty Ltd	Melbourne, Australia	Aug. 1, 2008	International	A\$87,800 thousand	—	100.0
MSIG Mingtai Insurance Co., Ltd.	Taipei, Taiwan	Sept. 22, 1961	International	NT\$2,535 million	—	100.0
Mitsui Sumitomo Insurance (China) Company Limited	Shanghai, P.R.C.	Sept. 6, 2007	International	RMB500,000 thousand	—	100.0
Aioi Nissay Dowa Insurance (China) Company Limited	Tianjin, P.R.C.	Jan. 23, 2009	International	RMB625,000 thousand	—	100.0
MSIG Insurance (Hong Kong) Limited	Hong Kong, P.R.C.	Sept. 8, 2004	International	HK\$1,625 million	—	100.0
MSIG Insurance (Vietnam) Company Limited	Hanoi, Vietnam	Feb. 2, 2009	International	VND300,000 million	—	100.0
PT. Asuransi MSIG Indonesia	Jakarta, Indonesia	Dec. 17, 1975	International	IDR100,000 million	—	80.0
MSIG Insurance (Thailand) Public Company Limited	Bangkok, Thailand	Apr. 14, 1983	International	THB142,666 thousand	—	86.4
MSIG Insurance (Malaysia) Bhd.	Kuala Lumpur, Malaysia	Apr. 28, 1979	International	MYR333,142 thousand	—	65.4 [1.4]
MSIG Insurance (Lao) Co., Ltd.	Vientiane, Laos	Sept. 18, 2009	International	US\$2,000 thousand	—	51.0
60 other companies						

Notes: 1. Figures in square brackets [] represent the percentage of voting rights belonging to closely allied entities or entities who are in agreement with MS&AD on voting issues.

2. EQUITY-METHOD AFFILIATES

Name of Company	Location	Date of Incorporation	Principal Business	Paid-in Capital	Voting Rights of MS&AD Holdings (%)	Voting Rights of Subsidiaries (%)
Sumitomo Mitsui Asset Management Company, Limited	Minato-ku, Tokyo	July 15, 1985	Financial Services	¥2,000 million	—	20.0%
Cholamandalam MS General Insurance Company Limited	Chennai, India	Nov. 2, 2001	International	INR2,988 million	—	40.0
Max Life Insurance Company Limited	Chandigarh, India	July 11, 2000	International	INR19,188 million	—	25.0
PT. Asuransi Jiwa Sinarmas MSIG	Jakarta, Indonesia	July 17, 1984	International	IDR105,000 million	—	50.0
BPI/MS Insurance Corporation	Makati, Philippines	Oct. 1, 1965	International	PHP350,000 thousand	—	48.5
Hong Leong Assurance Berhad	Petaling Jaya, Malaysia	Dec. 20, 1982	International	MYR200,000 thousand	—	30.0
Six other companies						

Global Network

(As of July 1, 2017)

☆:Overseas Branches ★:Overseas Offices ●:Overseas Subsidiaries and Affiliates
△:Branches or Offices of Overseas Subsidiaries and Affiliates ■:Underwriting Agents for the Head Office

ASIA AND OCEANIA

SINGAPORE	MS&AD Holdings	● Interisk Asia Pte. Ltd.
	MSI	● MSIG Holdings (Asia) Pte. Ltd. ● MSIG Insurance (Singapore) Pte. Ltd.
THAILAND	MS&AD Holdings	● InterRisk Asia (Thailand) Co., Ltd.
	MSI	☆ Thailand Branch ● MSIG Insurance (Thailand) Public Company Limited ● MSI Holding (Thailand) Company Limited ● MSIG Service and Adjusting (Thailand) Company Limited ● Calm Sea Service Company Limited ● MBTS Broking Services Company Limited
	ADI	★ Bangkok Representative Office ● Aioi Bangkok Insurance Public Company Limited ● Bangkok Chayorathn Company, Limited ● Bangkok Chayolife Company, Limited
MALAYSIA	MSI	● MSIG Insurance (Malaysia) Bhd. ● MSIG Berhad ● Hong Leong Assurance Berhad ● Hong Leong MSIG Takaful Berhad △ MS Amlin AG Labuan Branch
PHILIPPINES	MSI	● BPI/MS Insurance Corporation
INDONESIA	MSI	● PT. Asuransi MSIG Indonesia ● PT. Asuransi Jiwa Sinarmas MSIG
REPUBLIC OF KOREA	MSI	☆ Korea Branch
PEOPLE'S REPUBLIC OF CHINA	MS&AD Holdings	● InterRisk Consulting (Shanghai) Co., Ltd.
	MSI	● Mitsui Sumitomo Insurance (China) Company Limited △ Guangdong Branch Shenzhen Marketing Service Department △ Beijing Branch △ Jiangsu Branch Suzhou Marketing Service Department ★ China General Representative Office ★ Dalian Representative Office ★ Chengdu Representative Office ★ Qingdao Representative Office
	ADI	★ China General Representative Office ★ Guangzhou Representative Office ● Aioi Nissay Dowa Insurance (China) Company Limited △ Zhejiang Branch ● Guangzhou Guang Ai Insurance Brokers Ltd.
HONG KONG	MSI	● MSIG Insurance (Hong Kong) Limited ● Sumitomo Mitsui Asset Management (Hong Kong) Limited
	ADI	★ Hong Kong Representative Office
MACAU	MSI	△ MSIG Insurance (Hong Kong) Limited Macau Branch
TAIWAN	MSI	● MSIG Mingtai Insurance Co., Ltd.
	ADI	★ Taipei Representative Office
VIETNAM	MSI	● MSIG Insurance (Vietnam) Company Limited △ MSIG Insurance (Vietnam) Company Limited, Ho Chi Minh City Branch

INDIA	MSI	● Cholamandalam MS General Insurance Company Limited ● Cholamandalam MS Risk Services Limited ★ New Delhi Representative Office ● Max Life Insurance Company Limited ● MS Amlin (India) Private Limited
MYANMAR	MSI	★ Yangon Representative Office
CAMBODIA	MSI	● Asia Insurance (Cambodia) Plc.
LAO PEOPLE'S DEMOCRATIC REPUBLIC	MSI	● MSIG Insurance (Lao) Co., Ltd.
AUSTRALIA	MSI	☆ Oceania Branch ★ Oceania Branch Melbourne Office
	ADI	☆ Australian Branch ★ Sydney Representative Office ★ Melbourne Representative Office ● Aioi Nissay Dowa Insurance Company Australia Pty Ltd
NEW ZEALAND	MSI	★ Oceania Branch New Zealand Office
	ADI	☆ New Zealand Branch ● Aioi Nissay Dowa Management New Zealand Limited

THE AMERICAS

U.S.A.	MSI	★ New York Representative Office ● MSIG Holdings (Americas), Inc. ● Mitsui Sumitomo Insurance Company of America ● Mitsui Sumitomo Insurance USA Inc. ● Mitsui Sumitomo Marine Management (U.S.A.), Inc. △ New York Office △ Warren Office △ Los Angeles Office △ Cincinnati Office △ Atlanta Office △ Chicago Office △ Detroit Office △ Dallas Office ● MSI Risk Management Services, Inc. ● Seven Hills Insurance Agency, LLC ● Aioi Nissay Dowa Insurance Company of America △ Kentucky Office △ Detroit Office △ Dallas Office ● MS Amlin Reinsurance Managers, Inc. ● MSI Guaranteed Weather, LLC ● Vortex Insurance Agency, LLC ● Sumitomo Mitsui Asset Management (New York) Inc.
	ADI	★ New York Representative Office ★ Honolulu Representative Office ● Aioi Nissay Dowa Insurance Services USA Corporation ● Advanced Connectivity, LLC ● Connected Analytic Services, LLC ● Toyota Insurance Management Solutions USA, LLC ● DTRIC Insurance Company, Limited ● DTRIC Insurance Underwriters, Limited ● DTRIC Management Company, Limited
GUAM (U.S.A.)	ADI	■ Takagi & Associates, Inc.
SAIPAN (U.S.A.)	ADI	■ Takagi & Associates, Inc. Saipan Branch
CANADA	MSI	★ Toronto Representative Office c/o Chubb Insurance Company of Canada ■ Chubb Insurance Company of Canada
BERMUDA	MS&AD Holdings	● Interisk Global Management (Bermuda) Limited
	MSI	● SPAC Insurance (Bermuda) Limited ● MSI Guaranteed Weather Trading Limited ● MS Financial Reinsurance Limited △ MS Amlin AG Bermuda Branch

CAYMAN	MSI	● SLI Cayman Limited
MEXICO	MSI	△ MSIG Holdings (Americas), Inc. Mexican Representative Office c/o Mapfre Tepeyac, S.A.
PANAMA	MSI	★ Panama Representative Office
BRAZIL	MSI	● Mitsui Sumitomo Seguros S/A. ● Mitsui Sumitomo Insurance Company Limited-Escritório de Representação no Brasil Ltda. ★ São Paulo Representative Office
COLOMBIA	MSI	★ Bogotá Representative Office
PERU	MSI	★ Lima Representative Office
ARGENTINA	MSI	★ Buenos Aires Representative Office

EUROPE, THE MIDDLE EAST AND AFRICA

UNITED KINGDOM	MSI	★ London Representative Office ● MS Amlin plc ● MS Amlin Corporate Services Limited ● MS Amlin Underwriting Limited ● MS Amlin Corporate Member Limited ● Amlin Insurance SE ● Mitsui Sumitomo Insurance Company (Europe), Limited △ Mitsui Sumitomo Insurance Company (Europe), Limited Derby Office ● MSIG Corporate Services (Europe) Limited ● Sumitomo Mitsui Asset Management (London) Limited
	ADI	★ London Representative Office ● Aioi Nissay Dowa Insurance Company of Europe Limited ● Aioi Nissay Dowa Insurance Management Limited ● Toyota Insurance Management Limited ● Box Innovation Group Limited ● Insure The Box Limited ● ITB Services Limited ● ITB Web Limited ● ITB Telematics Solutions LLP ● ITB Premium Finance Limited
IRELAND	MSI	● MSI Insurance Management (Ireland) Limited
GERMANY	MSI	● MSIG Insurance Europe AG △ MSIG Insurance Europe AG Region Germany ● MSIG German Services GmbH
	ADI	△ Aioi Nissay Dowa Insurance Company of Europe Limited German Branch △ Toyota Insurance Management Limited German Branch ● Aioi Nissay Dowa Life Insurance of Europe AG
THE NETHERLANDS	MSI	△ MSIG Insurance Europe AG The Netherlands Branch
	ADI	△ Aioi Nissay Dowa Insurance Company of Europe Limited Netherlands Branch
FRANCE	MSI	△ MSIG Insurance Europe AG France Branch
	ADI	★ Paris Representative Office △ Aioi Nissay Dowa Insurance Company of Europe Limited French Branch △ Toyota Insurance Management Limited French Branch
BELGIUM	MSI	△ MSIG Insurance Europe AG Belgium Branch △ MSIG Corporate Services (Europe) Limited Belgium Branch
	ADI	★ Brussels Representative Office △ Aioi Nissay Dowa Insurance Company of Europe Limited Belgian Branch △ Toyota Insurance Management Limited Belgian Branch
SWITZERLAND	MSI	● MS Amlin AG

SPAIN	MSI	△ MSIG Insurance Europe AG Spain Branch
	ADI	△ Aioi Nissay Dowa Insurance Company of Europe Limited Spanish Branch △ Toyota Insurance Management Limited Spanish Branch
ITALY	MSI	△ MSIG Insurance Europe AG Italy Branch
	ADI	△ Aioi Nissay Dowa Insurance Company of Europe Limited Italian Branch △ Toyota Insurance Management Limited Italian Branch ● Top Class Insurance S. r. l. ● Top Class Broker S. r. l.
SLOVAKIA	MSI	△ MSIG Insurance Europe AG Slovakia Branch
RUSSIA	MSI	★ Moscow Representative Office ★ St. Petersburg Representative Office
	ADI	★ Moscow Representative Office ● LLC Toyota Insurance Management (Insurance Brokers) ● LLC Toyota Insurance Management (Insurance Agency)
NORWAY	ADI	△ Aioi Nissay Dowa Insurance Company of Europe Limited Norwegian Branch
UNITED ARAB EMIRATES	MSI	★ Dubai Representative Office ★ Abu Dhabi Representative Office
REPUBLIC OF SOUTH AFRICA	MSI	△ Mitsui Sumitomo Insurance Company (Europe), Limited Johannesburg Representative Office
KAZAKHSTAN	ADI	● Toyota Insurance Management (Insurance Broker) LLP
DENMARK	ADI	△ Toyota Insurance Management Limited Danish Branch
POLAND	ADI	△ Toyota Insurance Management Limited Polish Branch
BAILIWICK OF GUERNSEY	MSI	● Arena Holdings Limited

Short Commentary: Group Financial Statements

Commentary 1: Balance Sheet (B/S)

On its consolidated balance sheet (P. 68), the Group has total assets of ¥21.2 trillion, and the majority of its liabilities, ¥16.1 trillion, are policy liabilities—that is, reserves for paying future insurance claims. On the other hand, the largest asset item is investments in securities, which have a total market value of ¥15.3 trillion. Unrealized gains on securities in excess of the book value (¥1.3 trillion) are recorded under deferred tax liabilities and accumulated other comprehensive income (net unrealized gains/losses on investments in securities). This means that policy liabilities, which account for the majority of the Group's balance sheet liabilities, are invested in securities. In addition, net unrealized gains on investment in securities (after tax-effect accounting) accounted for about half of net assets as of the end of FY2016.

(¥ billion)

(Main) assets		(Main) liabilities	
Cash, deposits and savings	1,419.2	Policy liabilities	16,156.1
Money trusts	971.1	Bonds issued	456.1
Investments in securities	15,303.1	Other liabilities	1,226.7
(of which are stocks)	2,693.7	Deferred tax liabilities	173.5
Loans	886.3	Total liabilities	18,499.8
Tangible fixed assets	464.9		
Intangible fixed assets	417.1	Net assets	
Other assets	1,225.7	Shareholders' equity	1,425.2
		Net unrealized gains/losses on investments in securities	1,360.8
		Total net assets	2,734.4
Total assets	21,234.3	Total liabilities and net assets	21,234.3

Commentary 2: Statements of Income (P/L)

① Main components of the statements of income

A summary of the Group's consolidated statements of income (see P. 69) is provided below. It consists primarily of underwriting income and expenses and investment income and expenses.

FY2016	Income (+): underwriting income, ¥4,810.8 billion; investment income, ¥507.2 billion; other ordinary income, ¥17.0 billion Expenses (-): underwriting expenses, ¥4,256.3 billion (of which ¥908.1 billion is provision for underwriting reserves) Investment expenses, ¥55.0 billion; operating expenses and general and administrative expenses, ¥653.5 billion; other ordinary expenses, ¥17.5 billion Ordinary profit: ¥352.6 billion
FY2015	Income (+): underwriting income, ¥4,606.5 billion; investment income, ¥389.5 billion; other ordinary income, ¥16.8 billion Expenses (-): underwriting expenses, ¥3,904.2 billion (of which ¥744.3 billion is provision for underwriting reserves) Investment expenses, ¥210.7 billion; operating expenses and general and administrative expenses, ¥590.8 billion; other ordinary expenses, ¥15.6 billion Ordinary profit: ¥291.5 billion

② Underwriting profit for domestic non-life insurance companies and catastrophe reserves

Underwriting profit, the difference between underwriting income and underwriting expenses, can be dramatically impacted by events such as natural disasters. Non-life insurance companies are legally required to build up catastrophe reserves to mitigate that impact. When companies have to pay extremely large insurance claims, they can reverse the catastrophe reserves, which mitigates the impact to a certain degree. The following table indicates past underwriting profit, incurred losses related to natural disasters, and changes in catastrophe reserves (net provision). (See the "Glossary of Insurance Terminology" section (P. 54) for details on the catastrophe reserves.)

Impact of natural disasters on underwriting profit

(¥ billion)

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
Underwriting profit/(loss)	(83.7)	(190.0)	(3.0)	(36.1)	28.7	43.9	121.3
Impact on underwriting profit -(A+B)	(65.9)	(172.0)	(13.2)	(93.3)	(58.5)	(149.7)	(132.9)
Incurred losses due to natural disaster (A)	65.9	311.5	55.1	96.3	27.2	68.1	51.0
Great East Japan Earthquake	62.7	(7.7)	1.3	-	-	-	-
2011 Thailand floods	-	264.3	0.6	(23.0)	(5.1)	-	-
2014 massive snowfalls	-	-	-	82.1	2.2	0.3	-
Other natural disasters	3.2	54.9	53.2	37.1	30.1	67.7	51.0
Net provision for catastrophe reserves (B)	0	(139.5)	(41.9)	(3.0)	31.3	81.6	81.8

* Simple sum for MSI and ADI

Example: The impact of loss of ¥311.5 billion from natural disasters, for FY2011 was mitigated by reversal of catastrophe reserves of ¥139.5 billion and resulted in an underwriting loss of ¥190.0 billion.