

Income and Expenditure Account

(for the year ended 31 March 2022)

(Unit : JPY)

Accounts	Amount
Ordinary income and expenses	
Ordinary income	22,839,988,678
Underwriting income	19,378,862,850
Net premiums written	16,813,095,777
Reversal of underwriting reserve	2,307,967,901
Exchange gains	104,907,420
Other underwriting profits	152,891,752
Investment income	3,393,584,841
Interest and dividends	690,367,347
Gains on money trusts	213,318,350
Profit on sales of securities	214,153,608
Exchange gains	2,275,745,536
Other ordinary profit	67,540,987
Reversal of reserve for bad debts	10,885,087
Other ordinary profit	56,655,900
Ordinary expenses	22,238,897,437
Underwriting expenses	18,970,532,494
Net claims paid	17,635,746,309
Provision for outstanding claims	1,298,279,132
Other underwriting expenses	36,507,053
Operating expenses	2,925,636,216
Other ordinary expenses	342,728,727
Tax	13,141,448
Depreciation	38,691,024
Provision for reserve for bonuses	119,992,613
Provision for retirement benefit	143,362,580
Provision for directors' retirement benefit	27,400,000
Other ordinary expenses	141,062
Ordinary surplus	601,091,241
Special loss	10
Losses on disposal of fixed assets	10
Surplus before income taxes	601,091,231
Current income taxes	1,492,600
Deferred income taxes	1,006,846,021
Total income taxes	1,008,338,621
Deficit after income taxes	407,247,390

(Notes)

(1) For foreign currency bonds, the Association records unrealized foreign exchange gains and losses with respect to the amortized cost denominated in foreign currency to the income and expenditure account each period.

(2) The aggregate revenue of business transacted with subsidiary companies amounts to ¥48 million and the aggregate expenses amounts to ¥60 million.

(3) ① Net premiums written consist of the following;

Calls and premiums written	¥22,140	Million
Reinsurance premiums ceded	¥5,327	Million
Net premiums written	¥16,813	Million

Supplementary Calls for 2020 Policy Year (40%, ¥4,740 Million) are included in the above ¥22,140 Million.

② Net claims paid consist of the following;

Claims paid	¥28,000	Million
Reinsurance claims recovered	¥10,364	Million
Net claims paid	¥17,635	Million

③ The provision for outstanding claims amounts to ¥1,298 million after the deduction of the provision for ceded reinsurance in the amount of ¥18,577 million.

④ There are no provision for ceded underwriting reserves deducted for the purpose of calculating the provision for underwriting reserves in the amount of ¥2,307 million.

⑤ Interest and dividends consist of the following;

Interest on deposits & savings	¥12	Million
Interest on securities	¥678	Million
Total	¥690	Million

⑥ Valuation gains of ¥241 million is included in "Gains on money trusts".

(4) A reconciliation between the effective statutory tax rate and the actual effective tax rate after application of deferred tax accounting is as follows:

Effective statutory tax rate	27.92%
Entertainment and other expenses not deductible for tax purposes	0.38%
Change amount of valuation reserve	139.05%
Tax on per capita basis	0.25%
Others	0.15%
Actual effective tax rate	167.75%

(5) Provision for underwriting reserve consists of the following:

Provision for ordinary underwriting reserve	¥1,861	Million
Reversal of catastrophe reserve	¥4,169	Million
Total	¥2,307	Million

(6) Footnote amounts not shown as a single currency unit have been appropriately rounded down for presentation purposes.