

Income and Expenditure Account

(for the year ended 31 March 2024)

(Unit : JPY)

Accounts	Amount
Ordinary income and expenses	
Ordinary income	34,188,258,789
Underwriting income	25,427,892,086
Net premiums written	24,843,916,298
Exchange gains	329,892,191
Other underwriting profits	254,083,597
Investment income	8,036,472,282
Interest and dividends	1,567,814,662
Gains on money trusts	2,036,313,336
Exchange gains	4,432,344,284
Other ordinary profit	723,894,421
Reversal of reserve for bad debts	20,648,071
Reversal of reserve for losses of reinsurance	634,689,644
Other ordinary profit	68,556,706
Ordinary expenses	24,833,116,531
Underwriting expenses	20,579,512,878
Net claims paid	16,282,840,931
Provision for outstanding claims	1,210,167,467
Provision for underwriting reserve	3,068,083,646
Other underwriting expenses	18,420,834
Investment expenses	36,188,247
Loss on sales of securities	24,440,000
Losses on redemption on securities	11,748,247
Operating expenses	3,893,278,796
Other ordinary expenses	324,136,610
Tax	13,366,344
Depreciation	35,194,956
Provision for reserve for bonuses	113,373,624
Provision for retirement benefits	130,714,483
Provision for directors' retirement benefits	31,150,000
Other ordinary expenses	337,203
Ordinary surplus	9,355,142,258
Special loss	14,172,107
Losses on disposal of fixed assets	14,172,107
Surplus before income taxes	9,340,970,151
Current income taxes	2,769,876,436
Deferred income taxes	(290,046,427)
Total income taxes	2,479,830,009
Surplus after income taxes	6,861,140,142

(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 ¥56 million and the aggregate expenses amounts to ¥69 million.

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

Calls and premiums written	¥33,426	Million
Reinsurance premiums ceded	¥8,582	Million
Net premiums written	¥24,843	Million

Supplementary Calls for 2022 Policy Year (40%, ¥6,536 Million) are included in the above ¥33,426 Million.

② Net claims paid consist of the following;

Claims paid	¥33,379	Million
Reinsurance claims recovered	¥17,096	Million
Net claims paid	¥16,282	Million

③ The provision for outstanding claims amounts to ¥1,210 million after the addition of the reversal for outstanding claims ceded in the amount of ¥9,928million.

④ There are no provision for ceded underwriting reserves deducted for the purpose of calculating the provision for underwriting reserves in the amount of ¥3,068million.

⑤ Interest and dividends consist of the following;

Interest on deposits & savings	¥809	Million
Interest on securities	¥757	Million
Total	¥1,567	Million

⑥ Valuation gains of ¥2,069 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	0.04%
Change amount of valuation reserve	△0.11%
Tax deductions	△0.20%
Taxation on per capita basis	0.01%
Increase of deferred tax assets at the balance sheet date caused by change in effective statutory tax rate	△1.10%
Others	△0.01%
Actual effective tax rate	26.55%

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

Provision for ordinary underwriting reserve	¥2,321	Million
Provision for catastrophe reserve	¥746	Million
Total	¥3,068	Million

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