

Income and Expenditure Account

(for the year ended 31 March 2025)

(Unit : JPY)

Accounts	Amount
Ordinary income	29,051,207,086
Underwriting income	26,859,489,718
Net premiums written	22,587,431,437
Reversal of underwriting reserve	4,022,148,942
Other underwriting profits	249,909,339
Investment income	1,889,896,262
Interest and dividends	1,420,864,473
Gains on money trusts	302,337,011
Profit on sales of securities	1,283,697
Exchange gains	165,411,081
Other ordinary profit	301,821,106
Reversal of reserve for bad debts	1,602,712
Other ordinary profit	300,218,394
Ordinary expenses	22,080,433,748
Underwriting expenses	17,411,686,122
Net claims paid	16,192,470,132
Provision for underwriting reserve	1,153,329,901
Exchange losses	65,886,089
Investment expenses	21,000,000
Losses on derivatives	21,000,000
Operating expenses	4,253,987,371
Other ordinary expenses	393,760,255
Tax	13,472,805
Depreciation	53,015,481
Provision for reserve for bonuses	129,820,185
Provision for retirement benefits	159,948,873
Provision for directors' retirement benefits	37,450,000
Other ordinary expenses	52,911
Ordinary surplus	6,970,773,338
Special loss	131,009
Losses on disposal of fixed assets	131,009
Surplus before income taxes	6,970,642,329
Current income taxes	2,041,130,399
Deferred income taxes	(24,544,956)
Total income taxes	2,016,585,443
Surplus after income taxes	4,954,056,886

(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 ¥64 million and the aggregate expenses amounts to ¥80 million.

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

Calls and premiums written	¥31,559	Million
Reinsurance premiums ceded	¥8,972	Million
Net premiums written	¥22,587	Million

② Net claims paid consist of the following;

Claims paid	¥28,335	Million
Reinsurance claims recovered	¥12,143	Million
Net claims paid	¥16,192	Million

③ The reversal of outstanding claims amounts to ¥4,022 million after the deduction of the reversal of ceded reinsurance in the amount of ¥8,979 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 ¥1,153million.

⑤ Interest and dividends consist of the following;

Interest on deposits & savings	¥490	Million
Interest on securities	¥930	Million
Total	¥1,420	Million

⑥ Valuation gains of ¥341 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	3.21%
Tax deductions	△0.41%
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	△0.86%
Others	△0.98%
Actual effective tax rate	28.93%

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

Provision for ordinary underwriting reserve	¥473	Million
Provision for catastrophe reserve	¥679	Million
Total	¥1,153	Million

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