Income and Expenditure Account

(for the year ended 31 March 2026)

（Unit：JPY）

Accounts	Amount	
Ordinary income		**28,982,546,014**
Underwriting income	**23,190,806,838**	
Net premiums written	20,210,531,029	
Reversal of outstanding claims	2,365,407,637	
Reversal of underwriting reserves	180,118,255	
Exchange gains	223,772,655	
Other underwriting profits	210,977,262	
Investment income	**5,699,399,960**	
Interest and dividends	1,427,705,434	
Gains on money trusts	2,270,115,490	
Gains on derivatives	21,000,000	
Exchange gains	1,980,579,036	
Other ordinary profit	**92,339,216**	
Other ordinary profit	92,339,216	
Ordinary expenses		**20,444,501,714**
Underwriting expenses	**14,999,198,219**	
Net claims paid	14,999,198,219	
Operating expenses	**4,999,636,196**	
Other ordinary expenses	**445,667,299**	
Tax	14,032,800	
Depreciation	65,392,086	
Property compensation losses	4,448,984	
Provision for bad debts	16,671,000	
Provision for reserve for bonuses	131,692,572	
Provision for retirement benefits	127,773,635	
Provision for directors’ retirement benefits	67,774,772	
Other ordinary expenses	17,881,450	
Ordinary surplus		**8,538,044,300**
Special profit		**559,922**
Gains on disposal of fixed assets	559,922	
Special loss		**3,768,111**
Losses on disposal of fixed assets	3,768,111	
Surplus before income taxes		**8,534,836,111**
Current income taxes	2,673,808,273	
Deferred income taxes	(355,487,019)	
Total income taxes		**2,318,321,254**
Surplus after income taxes		**6,216,514,857**

(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 ¥136 million and the aggregate expenses amounts to ¥82 million.

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

Calls and premiums written	¥29,375	Million
Reinsurance premiums ceded	¥9,164	Million
Net premiums written	¥20,210	Million

② Net claims paid consist of the following;

Claims paid	¥21,966	Million
Reinsurance claims recovered	¥6,966	Million
Net claims paid	¥14,999	Million

③ The reversal of outstanding claims amounts to ¥2,365 million after the deduction of the reversal of ceded reinsurance in the amount of ¥3,574 million.

④ There is no provision for ceded underwriting reserves deducted for the purpose of calculating the reversal of underwriting reserves in the amount of ¥180million.

⑤ Interest and dividends consist of the following;

Interest on deposits & savings	¥391	Million
Interest on securities	¥1,036	Million
Total	¥1,427	Million

⑥ Valuation gains of ¥2,308 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	0.09%
Dividends and other income excluded from taxable income	△0.21%
Change amount of valuation reserve	0.05%
Tax deductions	△0.32%
Taxation on per capita basis	0.01%
Others	△0.38%
Actual effective tax rate	27.16%

(5) Reversal of underwriting reserve consists of the following:

Reversal of ordinary underwriting reserve	¥787	Million
Provision for catastrophe reserve	¥607	Million
Total	¥180	Million

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