



BEST'S COMPANY REPORT

TOKIO MARINE & NICHIDO FIRE INSURANCE CO., LTD.

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Best's Credit Rating Effective Date
September 06, 2024

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Information

[Best's Credit Rating Methodology](#)
[Guide to Best's Credit Ratings](#)
[Market Segment Outlooks](#)

Financial Data Presented

The financial data in this report reflects the most current data available to the Analytical Team at the time of the rating. Updates to the financial exhibits in this report are available here: [Best's Financial Report](#).

Tokio Marine & Nichido Fire Insurance Co., Ltd.

AMB #: 090909 | **AIIN #:** AA-1580100
Associated Ultimate Parent: AMB # 058633 - Tokio Marine Holdings, Inc.

Best's Credit Ratings - for the Rating Unit Members

Financial Strength Rating (FSR)

A++ Superior
Outlook: Stable Action: Affirmed

Issuer Credit Rating (ICR)

aa+ Superior
Outlook: Stable Action: Affirmed

Assessment Descriptors

Balance Sheet Strength	Strongest
Operating Performance	Strong
Business Profile	Very Favorable
Enterprise Risk Management	Very Strong

Rating Unit - Members

Rating Unit: Tokio Marine & Nichido Fire | **AMB #:** 090909

AMB # Rating Unit Members
012295 TM Specialty Insurance Co
003643 TNUS Insurance Company
085100 Tokio Marine & Nichido Fire

AMB # Rating Unit Members
012340 Tokio Marine America Ins Co
002882 Trans Pacific Insurance Co

Rating Rationale

Balance Sheet Strength: **Strongest**

- The balance sheet strength of Tokio Marine & Nichido Fire Insurance Company, Limited (TMNF), is well supported by its risk-adjusted capitalisation, which is assessed at the strongest level, as measured by Best's Capital Adequacy Ratio (BCAR).
- The company maintains highly conservative financial leverage, with adjusted debt leverage ratios well below 25%.
- While the company is potentially exposed to considerable equity risk from its substantial domestic stock investments and underwriting risk from its expanding overseas insurance business, it appears to possess a significant amount of available capital to absorb such risks.
- AM Best expects that the company's announced plan to accelerate disposal of strategic equity holdings could potentially reduce its overall exposure to equity risk in the forthcoming years.
- As the primary operating entity of its ultimate parent company, Tokio Marine Holdings, Inc. (TMH), one of the largest listed insurance groups on the Tokyo Stock Exchange, TMNF enjoys widespread recognition both in Japan and overseas, enabling it to access funds from equity and debt markets in a timely and cost-effective manner.

Operating Performance: **Strong**

- TMNF has a commendable track record of consistent premium growth, underpinned by its diversified business portfolios, with its net premium written (NPW) increasing from JPY 3.4 trillion to JPY 4.6 trillion over the last five fiscal years (FY2019 - FY2023).
- The company has achieved a five-year average return on equity of 7.4% (FY2019 - FY2023) on a consolidated basis, as calculated by AM Best.
- Despite some volatility stemming from natural catastrophe events in Japan, TMNF has maintained consistently profitable underwriting performance in its domestic non-life business over the past five years. Furthermore, the company is poised to benefit from ongoing rate hike initiatives in the domestic market over the coming years.
- TMNF's international business continued to show notable improvements across various regions in FY2023. Its North American operations led the way with double-digit growth in profits in local currency terms, driven by proactive underwriting initiatives and favourable premium rate developments, coupled with strong investment results.

Business Profile: **Very Favorable**

- TMNF's business profile is well diversified, with operations spanning across various markets and lines of business globally.
- The company holds a strong market leadership position across all non-life segments in Japan, commanding a total market share of over 25% in terms of NPW.
- Over the past decade, TMNF has successfully expanded its global presence through disciplined M&A strategies, establishing a portfolio of high-quality overseas insurance business. These overseas operations now represent approximately 47% of its NPW.
- AM Best believes that TMNF's leading position in the domestic market and sizeable international business portfolio will continue to serve as a strategic advantage, enabling it to navigate challenging market conditions and enhance earnings over the medium to long term.

Enterprise Risk Management: **Very Strong**

- TMH maintains a sophisticated enterprise risk management (ERM) framework to identify risks and formulate countermeasures to control their impact on the group's financial soundness.
- The group upholds a well-established risk appetite framework to effectively manage its group-wide exposure to potential earnings and capital volatility while increasing its value to various stakeholders.
- Under the group's ERM framework, the group runs stress tests under various hypothetical, historical, and reverse stress scenarios at both the group and company levels to verify its capital adequacy and identify potential vulnerabilities.
- TMNF's risk management capabilities are superior and align closely with the group's highly complex and diverse risk exposures.

Outlook

- The stable outlooks reflect the expectation that TMNF will maintain its overall balance sheet assessment, supported by risk-adjusted capitalisation at the strongest level, as measured by BCAR, while maintaining the strong performance in its domestic non-life business and developing its overseas insurance business in a prudent manner over the intermediate term.

Rating Drivers

- Negative rating actions could occur if there is material deterioration in risk-adjusted capitalisation such as substantial investment losses caused by capital market volatility or large-scale natural catastrophes.
- Negative rating actions could occur if there is persistent and significant deterioration in operating performance stemming from weak underwriting and investment results.
- Negative rating actions could occur if there is significant deterioration in Tokio Marine Holdings, Inc.'s credit profile, including its risk-adjusted capitalisation, financial leverage or interest coverage levels.
- Positive rating actions could occur if the group demonstrates exceptionally strong and consistent operating performance metrics. However, it is important to acknowledge that the likelihood of such actions occurring remains limited at present.

Key Financial Indicators

AM Best may recategorize company-reported data to reflect broader international reporting standards and increase global comparability.

Best's Capital Adequacy Ratio (BCAR) Scores (%)

Confidence Level	95.0	99.0	99.5	99.6
BCAR Score	71.6	59.4	54.0	52.5

Source: Best's Capital Adequacy Ratio Model - Global

Key Financial Indicators	2023 JPY (000,000)	2022 JPY (000,000)	2021 JPY (000,000)	2020 JPY (000,000)	2019 JPY (000,000)
Net Premiums Written:					
Non-Life	4,649,855	4,295,259	3,708,819	3,425,846	3,418,098
Composite	4,649,855	4,295,259	3,708,819	3,425,846	3,418,098
Net Income	608,437	305,239	444,705	160,762	148,305
Total Assets	21,536,779	18,318,077	17,357,791	15,834,081	15,643,891
Total Capital and Surplus	6,150,764	4,494,366	4,734,414	4,268,810	3,926,885

Source: BestLink® - Best's Financial Suite

Key Financial Indicators & Ratios	2023 JPY (000,000)	2022 JPY (000,000)	2021 JPY (000,000)	2020 JPY (000,000)	2019 JPY (000,000)	Weighted 5-Year Average
Profitability:						
Balance on Non-Life Technical Account	-193,073	47,920	-15,054	-231,999	-275,535	...
Net Income Return on Revenue (%)	10.0	5.8	9.5	3.8	3.5	6.8
Net Income Return on Capital and Surplus (%)	11.4	6.6	9.9	3.9	3.7	7.4
Non-Life Combined Ratio (%)	103.2	101.3	100.9	103.7	104.7	102.7
Net Investment Yield (%)	4.2	2.3	3.1	2.7	3.0	3.1
Leverage:						
Net Premiums Written to Capital and Surplus (%)	77.7	99.4	81.6	83.7	90.9	...

Source: BestLink® - Best's Financial Suite

Credit Analysis

Balance Sheet Strength

As of 31 March 2024, the consolidated reported capital of Tokio Marine & Nichido Fire Insurance Co., Ltd. (TMNF), was JPY 5,094 billion (USD 34 billion), marking a 49% increase compared to 12 months earlier. The improvement was mainly driven by a rise in net unrealised gains on securities of JPY 988 billion, foreign currency translation adjustments of JPY 220 billion, and higher retained earnings of JPY 471 billion for the fiscal year ended March 2024.

Capitalisation

TMNF has maintained the strongest level of risk-adjusted capitalisation as shown by its Best's Capital Adequacy Ratio (BCAR) score, which is well above 25% at the 99.6% VaR confidence level as of 31 March 2024. Overall, the major risks that TMNF faces are exposures to equity securities risk and underwriting risk and the strongest BCAR assessment suggests that the company maintains a significant amount of adjusted capital to cushion against these risks. The most significant impact is expected to arise from changes in

Balance Sheet Strength (Continued...)

the market value of its investments in securities. Nonetheless, the BCAR under such stressed scenario also remains comfortably at the strongest level.

Tokio Marine Holdings, Inc. (TMH), evaluates its risk-taking activities and capital based on an Economic Solvency Ratio (ESR) at the 99.95% VaR. The ESR target level of 100% to 140% is incorporated into the group's business strategy and disclosed to the public. TMH's ESR was 140% as of 31 March 2024, which is at the upper boundary of the group's target range and indicated a strong capital buffer against risks.

Adjusted debt leverage as of March 2024 was well below 25%, which suggested that the company does not operate on excess issuance of debt. In addition, its interest coverage ratio of over seven times is also considered to be strong, which implies that its interest expense is not a significant burden on its operating earnings.

TMNF mainly underwrites short-tail personal lines business and does not have material exposure to life insurance or savings-type products. The uncertainty of its capital in relation to liabilities or interest rate fluctuations is considered low. While the company has one outstanding subordinated debt as of 31 March 2024, which accounted for only 4% of its net assets, its capital has more sizeable exposure to intangible assets (i.e., goodwill and software) compared to its domestic peers as a result of its acquisitions in the past.

For the fiscal year ended 31 March 2024, TMNF recorded an operating cash flow of JPY 878 billion. Furthermore, the company has consistently generated positive operating cash flow in the last five fiscal years with a five-year average of JPY 731 billion (FY2019 - FY2023). On the other hand, the company continues to maintain favourable balance sheet liquidity with an average five-year liquid assets to policy liabilities ratio of 108% (FY2019 - FY2023), which also suggests the company has minimal risk of having insufficient liquid assets to cover its insurance liabilities.

In addition to its domestic insurance business, TMNF also operates its overseas insurance business through a number of subsidiaries and affiliates, including Tokio Marine Houston Casualty Group (TMHCC) and Philadelphia Insurance Group (PHLY) in the US. TMNF may therefore be exposed to fungibility risk from its overseas operations due to different insurance regulatory regimes across jurisdictions. However, the company has a proper capital allocation plan to ensure that each subsidiary has sufficient capital and sound liquidity.

TMNF is one of the largest non-life insurance companies in Japan. Although TMNF itself is not a listed company, its holding company, TMH, is one of the largest listed insurance groups on the Tokyo Stock Exchange. Being the core operating entity of TMH, TMNF is a well-known insurance company in both Japan and overseas. These factors should allow TMNF to raise funds from the equity and debt markets in a timely and cost-effective manner.

Capital Generation Analysis	2023 JPY (000,000)	2022 JPY (000,000)	2021 JPY (000,000)	2020 JPY (000,000)	2019 JPY (000,000)
Beginning Capital and Surplus	4,494,366	4,734,415	4,268,810	3,926,885	4,029,170
Net Income	608,437	305,239	444,705	160,762	148,305
Net Unrealized Capital Gains (Losses)	985,274	-759,244	-22,448	480,911	-217,765
Currency Exchange Gains (Losses)	219,738	407,881	255,839	-149,650	-17,544
Change in Equalisation and Other Reserves	34	-341	...	4	1,812
Stockholder Dividends	-161,539	-159,323	-230,222	-159,494	-156,596
Other Changes in Capital and Surplus	4,454	-34,261	17,731	9,392	139,503
Net Change in Capital and Surplus	1,656,398	-240,049	465,605	341,925	-102,285
Ending Capital and Surplus	6,150,764	4,494,366	4,734,415	4,268,810	3,926,885
Net Change in Capital and Surplus (%)	36.9	-5.1	10.9	8.7	-2.5

Source: BestLink® - Best's Financial Suite

Liquidity Analysis (%)	2023	2022	2021	2020	2019
Liquid Assets to Total Liabilities	98.1	90.8	97.2	98.3	92.3
Total Investments to Total Liabilities	118.4	110.9	114.5	113.8	106.6

Source: BestLink® - Best's Financial Suite

Asset Liability Management - Investments

As a non-life insurance company, TMNF's liabilities tend to be short-tailed in nature. The company primarily relies on its strong operating cash flow to meet liabilities. In addition, the company also has a high-quality investment portfolio with ample liquid assets,

Balance Sheet Strength (Continued...)

including cash and deposits of JPY 655 billion to support it to meet its short-term liabilities. Therefore, AM Best expects the company to have a strong capability to meet urgent cash needs without having to dispose of long-duration assets on short notice.

TMNF's assets consist of mainly liquid assets including cash and deposits (3%), securities (56%), loans (13%), and monetary claims bought (11%). Besides its investments and liquid assets, most other assets are tangible assets, intangible assets, and receivables from reinsurers that are relatively short term in nature. The company's securities investment portfolio consists of bonds (approximately 30%), domestic stocks (approximately 40%), and foreign securities excluding bonds (approximately 30%). With respect to its domestic bond holdings, Japanese government bonds still make up a majority as of 31 March 2024. The company recently announced its plan of accelerating the reduction of its domestic stock holdings in response to an urge from the regulator to reduce strategic equity holdings by large non-life insurers. While the company's sizeable investments in domestic stocks will continue to potentially give rise to sizeable equity risk, AM Best expects the overall equity risk exposure to gradually reduce in the forthcoming years following the announced plan. Meanwhile, its bond portfolio also continues to potentially give rise to sizeable interest rate risk and some credit risk.

Composition of Cash and Invested Assets	2023 JPY (000,000)	2022 JPY (000,000)	2021 JPY (000,000)	2020 JPY (000,000)	2019 JPY (000,000)
Total Cash and Invested Assets	18,220,238	15,335,681	14,456,170	13,160,427	12,487,487
Cash (%)	16.4	16.4	15.3	14.7	15.4
Bonds (%)	47.3	50.0	52.4	53.0	53.4
Equity Securities (%)	19.2	15.5	17.2	18.6	17.8
Real Estate, Mortgages and Loans (%)	17.2	18.1	15.1	13.6	13.4
Total Cash and Unaffiliated Invested Assets (%)	100.0	100.0	100.0	100.0	100.0
Total Cash and Invested Assets (%)	100.0	100.0	100.0	100.0	100.0

Source: BestLink® - Best's Financial Suite

Reserve Adequacy

As of 31 March 2024, TMNF held reserves of JPY 13.5 trillion, of which JPY 4.6 trillion were designated as outstanding claims and JPY 8.9 trillion as underwriting reserves, which include mandatory catastrophe loss reserves of JPY 1.1 trillion. TMNF's business is largely composed of short-tailed risks. For its domestic business, over half of its outstanding claims and ordinary reserves are from its voluntary automobile and fire insurance business, which involves less uncertainty and reserving risks due to the homogeneous nature of auto and fire lines in Japan. For the voluntary automobile business, the policy limits are generally low with standardised actuarial pricing that generally comes with less uncertainty in its reserves. Despite the high uncertainty stemming from potential exposure to natural catastrophe events within its fire business, the company has effectively utilised reinsurance to limit large losses and manage reserving risks associated with catastrophe events. For its increasingly sizeable overseas business, although TMNF's exposure to specialty lines might bring higher uncertainty to its reserves compared to its domestic business, the group's main subsidiaries in the US including TMHCC, PHLY, and Delphi Financial Group (DFG), have historically reported favourable loss reserve development in recent years. Overall, AM Best considers TMNF's current reserves to be adequate.

Holding Company Assessment

TMNF's ultimate parent, TMH, is a very large listed Japanese non-life insurance group. Like TMNF, TMH has a BCAR assessment of "Strongest" on a consolidated basis. The group's consolidated balance sheet also demonstrates the following strengths: a) good quality of capital (e.g., high level of available capital that is mostly made up of equity and some exposure to illiquid assets or intangibles, albeit immaterial); b) sound asset-liability management practices; c) a high quality and appropriate reinsurance panel consistent with its risk appetite; and d) other analytical factors taken into consideration, such as stability as demonstrated by a comprehensive stress test programme, large and stable positive cash flow, and conservative levels of financial and operating leverage.

Financial Leverage Summary - Holding Company

Financial Leverage Ratio (%)	5.30
Adjusted Financial Leverage Ratio (%)	3.20
Interest Coverage (x)	22.70

Operating Performance

TMNF has a track record of consistent premium growth and a robust bottom line, supported by its diversified business portfolios. Over the last five fiscal years, TMNF's premium income has been increasing steadily from JPY 3.4 trillion to JPY 4.6 trillion with an average five-year growth rate of around 8% (FY2019 - FY2023). On a consolidated basis, its adjusted return on assets and adjusted return on equity (ROE) remained positive with five-year averages of 1.9% and 7.0% (FY2019 - FY2023), respectively, excluding changes in catastrophe, contingency, and price fluctuation reserves.

In line with other major insurers in Japan, TMNF's investment portfolio is made up of a sizeable amount of investments in securities. Their market values tend to be relatively volatile in the short term, which in turn also brings sizeable unrealised gains/losses to its other comprehensive income and capital base. In addition, the sizeable foreign operations of TMNF give rise to foreign currency translation gains/losses, which in turn affect its other comprehensive income and capital. Therefore, in addition to ROE based on net income, which tends to be relatively stable from year to year, AM Best also considers the ROE based on comprehensive income to better reflect TMNF's overall income over the years. In FY2023, TMNF achieved an ROE based on comprehensive income of 43.9%, primarily underpinned by substantial unrealised gains on available-for-sale securities, improved investment incomes amid the higher interest rate environment, and foreign currency translation gains from its overseas operations due to the depreciation of the Japanese yen throughout the year. Despite fluctuations during periods of financial market volatility in FY2019 and FY2022, TMNF has maintained a consistently strong ROE based on comprehensive income over the past five fiscal years (FY2019 - FY2023), with a notable five-year average of 16.1%.

Like other major non-life insurers in Japan, TMNF underwrites compulsory auto liability (CALI) business in Japan, which accounted for 4-8% of TMNF's consolidated net premium written (NPW). The Automobile Liability Security Act in Japan stipulates the standard full rates for the CALI line of business must be priced based on the principle of "no loss and no profit". Therefore, the loss ratio for CALI in the domestic market is consistently high at around 80%. Excluding the premiums and losses from CALI, TMNF's underlying underwriting performance has been consistently strong with an adjusted consolidated loss ratio of around 61.1% between FY2019 and FY2023, which allowed the company to generate an underwriting profit when the expense ratio was below 38.9%.

Japan's non-life insurance business continues to be TMNF's main business, which generates approximately 53% of the company's net premium income. For the fiscal year ended 31 March 2024 and on a non-consolidated basis, the company recorded a 1% increase in NPW to JPY 2,418 billion (USD 16.6 billion) in FY2023. Excluding CALI business, the company's underlying NPW also increased by 2% to JPY 2,220 billion (USD 15.3 billion) in FY2023. The company demonstrated improvements across most of its business lines, with the exception of CALI, which experienced a 7% decline in NPW.

Its fire line of business continued to benefit from the recent trend of premium rate hikes, resulting in a slight uptick in NPW. Similarly, its automobile business benefited from recent rate adjustments and product revisions, maintaining stability with a 1.9% NPW increase in FY2023.

In terms of profit, its ordinary profit increased from JPY 362 billion to JPY 431 billion in FY2023.

Although its overall underwriting profit slightly deteriorated to JPY 109 billion in FY2023, compared to JPY 116 billion last year, the company faced increased incurred losses from automobile insurance, along with a higher E/I loss ratio for the line during the year. In addition, the company's profit was affected by an uptick in provisions for foreign currency-denominated loss reserves due to depreciation of the Japanese yen in FY2023. Consequently, its E/I loss ratio (excluding CALI) and combined ratio (excluding CALI) saw a minor increase from 63.8% and 95.8% to 65.9% and 97.7%, respectively, in FY2023. Nevertheless, the marginal decrease in underwriting profits was offset by higher investment income, which was enhanced by JPY 75 billion to JPY 319 billion, driven by a more favourable interest rate environment.

Following the group's announced plan to accelerate the disposal of strategic equity holdings, which are largely owned by TMNF, for the next six years, AM Best expects TMNF's adjusted net income to benefit from realised capital gains from the sale of these stocks over the next few years. In 2023, the company reported about JPY 30 billion in capital gains through the sales of domestic stocks.

TMNF's overseas businesses continued to record significant improvement in both top lines and bottom lines across most markets in FY2023. While TMNF recorded growth in NPW across different regions, including North America, Europe, South America, and Asia Pacific, North America continues to represent close to 70% of TMNF's international business in terms of NPW. Its North American business maintained substantial top-line growth, achieving an 11% increase in NPW to reach a total of JPY 1,947 billion in FY2023. Excluding the impact of the aforementioned depreciation of the Japanese yen during the year, its NPW also grew by 4% in North America in FY2023. On a local currency basis, TMHCC, DFG, and PHLI recorded growth rates of 6%, 9%, and 2%, respectively, due to underwriting expansion activities and favourable premium rate developments. In parallel, TMNF's business in Europe, Asia Pacific, and South America also saw notable top-line improvements in both Japanese yen and local currency terms, supported by proactive underwriting initiatives and positive premium rate developments. Overall, its international non-life insurance business recorded a 6% increase in NPW on a local currency basis.

Operating Performance (Continued...)

In terms of profit, TMNF's international business also saw enhancements across key markets in FY2023, partly benefiting from the Japanese yen depreciation. Excluding the impact of such depreciation and on a local currency basis, the overall profit from its North American operations surged by 21%, driven by robust underwriting profits bolstered by an improved pricing environment and strong investment income. TMNF's business in Europe, Asia Pacific, and South America also recorded significant profit growth, benefiting from premium rate hikes, effective underwriting practices, and the absence of COVID-19-related losses in Taiwan recorded in the previous year. Overall, TMNF's international non-life insurance business witnessed a notable 96% increase in profit, reaching JPY 452 billion, compared to JPY 214 billion last year.

Financial Performance Summary	2023 JPY (000,000)	2022 JPY (000,000)	2021 JPY (000,000)	2020 JPY (000,000)	2019 JPY (000,000)
Pre-Tax Income	740,972	460,282	563,519	217,798	225,381
Net Income after Non-Controlling Interests	624,862	326,285	449,983	157,128	142,885

Source: BestLink® - Best's Financial Suite

Operating and Performance Ratios (%)	2023	2022	2021	2020	2019
Overall Performance:					
Return on Assets	3.1	1.7	2.7	1.0	1.0
Return on Capital and Surplus	11.4	6.6	9.9	3.9	3.7
Non-Life Performance:					
Loss and LAE Ratio	61.0	60.4	59.9	63.3	64.9
Expense Ratio	42.2	40.8	41.1	40.5	39.9
Non-Life Combined Ratio	103.2	101.3	100.9	103.7	104.7

Source: BestLink® - Best's Financial Suite

Business Profile

TMNF is the core member of TMH, which is one of the largest insurance groups headquartered in Japan with a global network spanning 46 countries and regions. In addition, TMH is listed on the Tokyo Stock Exchange. As of 31 March 2024, TMH reported consolidated net assets of JPY 5.2 trillion (USD 34.3 billion), along with consolidated NPW of JPY 4.8 trillion (USD 33.2 billion) and a consolidated net profit of JPY 671 billion (USD 4.6 billion). In the domestic market in Japan, TMNF continues to maintain its consistently strong business trend and benefits from its strong brand name, considerable scale, and strong market position by being one of the top four non-life insurers in a highly mature market. In the overseas market, TMNF also holds a strong market position, especially in North America, through its overseas subsidiaries including TMHCC, DFG, and PHLY. For the fiscal year ended 31 March 2024, approximately 53% of TMNF's NPW was generated from its domestic non-life business, followed by 47% from its overseas non-life business.

The domestic non-life insurance business remains a significant component of TMNF's portfolio. TMNF continues to maintain a strong position in Japan with a market share of over 25% in terms of NPW. In FY2023, the company continued to top its domestic peers in all major lines of business in terms of NPW volume. TMNF's domestic portfolio mainly consists of short-tailed business lines, with about 51% of its NPW generated from voluntary automobile insurance, 19% from fire insurance, 9% from personal accident, and 4% from marine insurance when the CALI line of business is excluded. AM Best notes that TMNF's domestic non-life business has remained stable over time, and it continues to maintain its strong edge and market position in the automobile and fire insurance segments.

TMNF is aware of the limit of its domestic market, which is characterised by a slow-growing economy, aging population, low investment yield, and large exposure to natural catastrophes; it has been expanding its business beyond Japan by executing a disciplined M&A strategy over time. Its M&A strategy and international business expansion are incorporated into TMH's mid-term business plan. The company's subsidiaries in North America, including TMHCC, DFG, and PHLY, continued to achieve steady growth in NPW and net income on a local currency basis in FY2023. AM Best expects the company's overseas portfolio will continue to achieve steady organic growth across different markets, create value by leveraging its global network and expertise, and achieve synergistic effects among its subsidiaries. Its strong presence in North America will also continue to function as a good source of risk diversification from its domestic non-life insurance business.

Enterprise Risk Management

TMH defines risks that could have significant impact on its financial soundness and business continuity as material risks, and it identifies these risks annually. The group relies on the business development units of the local insurance companies and the head office to clarify emerging risks, as well as identify and report material risks. The head office is responsible for finalising the group's list

Enterprise Risk Management (Continued...)

of material risks and formulating group-level countermeasures after evaluating frequency, probability and the scale of damage on the group.

Material risks are first discussed and evaluated at the TMH's enterprise risk management (ERM) committee and management meeting before being reported to board of directors. For the identified material risks, in addition to confirming the capital adequacy and liquidity by capital and liquidity stress testing, necessary actions are taken in perspective of control measures before and after the emergence of risks and contingency plans. The group CRO and TMH risk management department regularly monitor the recent trends of emerging risks and material risks focusing on geopolitical risks and their impact on the business of the group and publish reports to share them among the TMH management team, including the group CEO.

At the company level, TMNF also clarifies and identifies risks that the company faces based on the results of identified emerging risks. In line with the group-wide procedures, material risks are identified after the assessment concerning frequency, probability, and the scale of damage on the company. For each material risk identified, TMNF formulates a risk management plan on specific measures at the beginning of the year, and the progress is confirmed on a semi-annual basis. The results of identified material risks and the control measures are first considered by TMNF's risk management committee, proposed at a TMNF management meeting and reported to the TMNF Board of Directors.

The group has a well-established risk appetite framework, which takes into consideration the group's risk appetite, to what extent the group undertakes the risks. The risk appetite framework consists of the group-wide qualitative risk-taking policy, group-wide quantitative risk-taking policy, and risk appetite by risk category. To achieve risk appetite, each business unit formulates its business plan based on the group's risk appetite framework and assessment from an overall group perspective.

The group and the insurance company subsidiaries within the group carry out an integrated stress test for the purpose of complementing the verification of capital adequacy. The limitations and weaknesses of risk models used in the integrated risk management process have also been taken into consideration when determining the stress scenarios.

Stress testing is conducted once a year at both the company and group levels. Nevertheless, tests are also performed when it is determined that the market environment and associated risks have significantly changed. The results of each stress test are reported at the management meeting and to the board of directors of each corresponding company. If the company/ group determines there is an issue with the capital adequacy, i.e., the estimated loss exceeds the allocated capital for each company or net asset value for the group, the company/ group will discuss the countermeasures, present the results at the management meeting, report to the board of directors.

The group also performs reverse stress tests to specifically identify scenarios where losses exceed capital and have a significant impact on the financial soundness of the group and its major subsidiaries, and to determine the probability of occurrence to verify the capital adequacy.

The ERM committee is the TMH's designated advisory body to the TMH's management meeting to hold substantial discussions on group ERM strategies and policies. The ERM committee includes directors and senior executives from the head office and major subsidiaries like the group CEO, group CFO, group CRO, TMNF president, and head of international business.

The determination of ERM implementation policies, stress scenarios, and measures based on stress test results is done at the management meeting in consultation with the ERM committee before submission to the board of directors for final resolution and confirmation.

In addition, as the group's major domestic insurance operation, TMNF has its own risk management committee to hold discussions on company-wide risk management policies and a management meeting to determine ERM-related matters and confirm action plans for risk management.

The group has established a sound and transparent corporate governance system and recognised the importance of appropriate control over its subsidiaries. Major initiatives taken in corporate governance include an independent audit and supervisory board to monitor and verify the appropriateness of the group's ERM system. The responsibilities of the board of directors, and the audit and supervisory board members, as well as the compensation system for directors and executive officers are also set forth in "Tokio Marine Holdings Fundamental Corporate Governance Policy" and are reported annually in its corporate governance report.

In terms of risk governance, for the implementation of necessary rules and preparation of relevant documents in the assessment of the company's risk models, the group has implemented uniform rules on risk model governance applied to development departments, measurement departments and confirmation/ validation departments.

In addition, a risk culture that constitutes part of the corporate culture, is embedded throughout the organisation and supports the ERM framework.

Enterprise Risk Management (Continued...)**Reinsurance Summary**

TMNF continues to have a diversified reinsurance programme, which consists of various reputable and highly rated domestic and overseas reinsurers.

The company's reinsurance programme is considered appropriate relative to its risk appetite and underwriting risks. Similar to other non-life insurers in Japan, the company has considerably high natural catastrophe exposure. It has entered into reinsurance contracts with diversified and highly rated reinsurers to mitigate the potential loss from natural catastrophes in Japan and abroad. Its use of the reinsurance programme has helped reduce the fluctuation of TMNF's loss ratio over the last five years to a range between 60% and 65%.

Environmental, Social & Governance

The concept of ESG has been rapidly gaining traction in Japan in recent years. The adoption of ESG is facilitated by a number of market developments in Japan. Examples include the launch of the Japanese stewardship code in 2014 to promote sustainable investments and to encourage institutional investors like insurance companies to get more involved with the companies they invest in. The Government Pension Investment Fund (GPIF), one of the world's largest public pension funds, also became a signatory of Principles for Responsible Investment (PRI) in 2016 and took steps to integrate ESG factors into its investments. This has also encouraged domestic financial institutions to address ESG issues in recent years. The latest development is the Japanese government's commitment to achieving carbon neutrality by 2050, which puts further pressure on the domestic companies to formulate their own roadmap to zero carbon emissions.

Japan is a natural catastrophe-prone country, and it is expected that climate change will increase both the frequency and intensity of extreme weather events, such as typhoons and heavy rainfalls. As one of the largest non-life insurance companies in Japan, TMNF is exposed to moderate climate change risk, which could have a potential impact on its claims expenses in the long run. In response to the risks from ESG issues, the company established the position of group chief sustainability officer (CSUO) and the sustainability committee, chaired by the CSUO, in April 2021 to consider the company's sustainability strategies and oversee the management's execution of those strategies.

Based on the discussions of the sustainability committee, the company has identified eight material ESG issues to address, i.e. take climate change, improve disaster resilience, support people's healthy and enriching lives, value people and promote diversity and inclusion, provide innovative solutions, protect the natural environment, provide opportunities for future generations, and open governance with integrity. ESG issues are now addressed through both the company's insurance underwriting and investment activities.

In underwriting, the company has incorporated ESG factors into underwriting decisions. It has now suspended in principle the underwriting of new insurance policies for coal-related projects and enhanced coverage for renewable energy projects including offshore wind power generation and solar power. It has also recently acquired GCube, a renowned insurance underwriter specialising in the renewable energy sector, to accelerate the development of insurance products related to decarbonisation technologies, further advancing its presence in the renewable energy industry.

As a signatory to PRI, the company has integrated climate-related elements into its investment processes through its established investment policy. In alignment with its stance on insurance underwriting, the company has ceased financing for coal-related projects. Moreover, the company actively participates in ongoing dialogues with investee companies on ESG matters, aiming to promote the integration of ESG factors into their business operations.

The company has established a range of medium- and long-term targets to address ESG issues. These objectives encompass achieving annual carbon neutrality and reducing carbon dioxide emissions by 60% compared to the FY2015 level by FY2030. Concrete actions, such as transitioning to 100% renewable energy and electric vehicles by FY2030, underline the company's active approach towards sustainability and decarbonisation.

Overall, although TMNF has moderate exposure to ESG-related risks, the group has established an appropriate ESG policy on both underwriting insurance and investments to address ESG issues. AM Best believes there is low risk to the company's credit quality in the short to intermediate term.

Financial Statements

	3/31/2024		3/31/2024
	JPY (000,000)	%	USD (000,000)
Balance Sheet			
Cash and Short Term Investments	2,981,371	13.8	19,707
Bonds	8,609,088	40.0	56,906
Equity Securities	3,495,902	16.2	23,108
Other Invested Assets	3,133,877	14.6	20,715
Total Cash and Invested Assets	18,220,238	84.6	120,436
Other Assets	3,316,541	15.4	21,922
Total Assets	21,536,779	100.0	142,358
Unearned Premiums	6,848,500	31.8	45,269
Non-Life - Outstanding Claims	4,573,229	21.2	30,229
Other Technical Reserves	1,003,785	4.7	6,635
Total Gross Technical Reserves	12,425,514	57.7	82,133
Debt / Borrowings	224,404	1.0	1,483
Other Liabilities	2,736,097	12.7	18,086
Total Liabilities	15,386,015	71.4	101,702
Capital Stock	101,994	0.5	674
Retained Earnings	1,997,591	9.3	13,204
Other Capital and Surplus	3,882,731	18.0	25,665
Non-Controlling Interests	168,448	0.8	1,113
Total Capital and Surplus	6,150,764	28.6	40,657
Total Liabilities and Surplus	21,536,779	100.0	142,358

Source: BestLink® - Best's Financial Suite
 US \$ per Local Currency Unit .00661 = 1 (JPY)

	3/31/2024			3/31/2024
	Non-Life JPY (000,000)	Life JPY (000,000)	Other JPY (000,000)	Total USD (000,000)
Income Statement				
Gross Premiums Written	4,854,426	...	...	32,088
Net Premiums Earned	4,649,855	...	...	30,736
Net Investment Income	...	...	709,542	4,690
Realized capital gains/(losses)	...	...	182,123	1,204
Unrealized capital gains/(losses)	...	...	-8,817	-58
Other Income	709,098	...	...	4,687
Total Revenue	5,358,953	...	882,848	41,258
Benefits And Claims	2,836,786	...	...	18,751
Net Operating And Other Expenses	2,715,240	...	-51,197	17,609
Total Benefits, Claims And Expenses	5,552,026	...	-51,197	36,360
Pre-Tax Income	-193,073	...	934,045	4,898
Income Taxes Incurred	...	...	...	876
Net Income before Non-Controlling Interests	...	...	...	4,022
Non-Controlling Interests	...	...	...	-109
Net Income/(loss)	...	...	...	4,130

Source: BestLink® - Best's Financial Suite
 US \$ per Local Currency Unit .00661 = 1 (JPY)

Last Update

September 06, 2024

Identifiers**AMB #:** 090909**AIIN #:** AA-1580100**Contact Information****Domiciliary Address:**2-6-4 Otemachi, Chiyoda-ku,
Tokyo 100-8050,
Japan**Web:** www.tokiomarine-nichido.co.jp**Financial Data Presented**

The financial data in this report reflects the most current data available at the time the report was printed.

Filing Date History

July 31, 2024 (Annual)

Tokio Marine & Nichido Fire Insurance Co., Ltd.**Operations****Date Incorporated:** August 01, 1879**Domiciled:** Japan**Business Type:** Property/Casualty**Organization Type:** Stock**Marketing Type:** Independent Agency**Publicly Traded Corp:** Tokio Marine Holdings, Inc.**Stock Exchange:** TSE: 8766**Best's Credit Ratings****Rating Relationship****AM Best Rating Unit:** [090909 - Tokio Marine & Nichido Fire Ins Co Ltd](#)**Best's Credit Rating Effective Date:** September 06, 2024Refer to the [Best's Credit Report for AMB# 090909 - Tokio Marine & Nichido Fire Insurance Co., Ltd.](#) for details regarding the rating rationale, credit analysis, and financial exhibits available at the time the credit analysis was performed.

AMB#	Rating Unit Members	Best's Credit Ratings	
		Financial Strength Rating	Long-Term Issuer Credit Rating
012295	TM Specialty Insurance Co	A++	aa+
003643	TNUS Insurance Company	A++	aa+
085100	Tokio Marine & Nichido Fire	A++	aa+
012340	Tokio Marine America Ins Co	A++	aa+
002882	Trans Pacific Insurance Co	A++	aa+

Corporate Structure**Associated Ultimate Parent:** AMB # 058633 - Tokio Marine Holdings, Inc.Based on AM Best's analysis, AMB# 058633 Tokio Marine Holdings, Inc. is the AMB Associated Ultimate Parent and identifies the topmost entity of the corporate structure. Access in BestLink this company's current [Data Structure](#).**Management****Officers****CEO, President:** Hiroaki Shiota

Directors

Shinichi Hirose (Chairman)
Kenichi Kitazawa (Vice President)

History

TMNF is the result of the merger between The Tokio Marine & Fire Insurance Co., Ltd., and The Nichido Fire and Marine Insurance Co., Ltd., on October 1, 2004. The company is wholly owned by Tokio Marine Holdings, Inc., a holding company established in 2002 that combines both life and non-life insurance businesses.

Financial Results

Financial exhibits presented in this report provide calculated ratios using the most recent consolidated financial statements available in BestLink - Best's Statement File – Global.

Balance Sheet Highlights

Capital Generation Analysis	2023 JPY (000,000)	2022 JPY (000,000)	2021 JPY (000,000)	2020 JPY (000,000)	2019 JPY (000,000)
Beginning Capital and Surplus	4,494,366	4,734,415	4,268,810	3,926,885	4,029,170
Net Income	608,437	305,239	444,705	160,762	148,305
Net Unrealized Capital Gains (Losses)	985,274	-759,244	-22,448	480,911	-217,765
Currency Exchange Gains (Losses)	219,738	407,881	255,839	-149,650	-17,544
Change in Equalisation and Other Reserves	34	-341	...	4	1,812
Stockholder Dividends	-161,539	-159,323	-230,222	-159,494	-156,596
Other Changes in Capital and Surplus	4,454	-34,261	17,731	9,392	139,503
Net Change in Capital and Surplus	1,656,398	-240,049	465,605	341,925	-102,285
Ending Capital and Surplus	6,150,764	4,494,366	4,734,415	4,268,810	3,926,885
Net Change in Capital and Surplus (%)	36.9	-5.1	10.9	8.7	-2.5

Source: BestLink® - Best's Financial Suite

Liquidity Analysis	2023	2022	2021	2020	2019
Liquid Assets to Total Liabilities	98.1	90.8	97.2	98.3	92.3
Total Investments to Total Liabilities	118.4	110.9	114.5	113.8	106.6

Source: BestLink® - Best's Financial Suite

Asset Liability Management | Investments

	2023 JPY (000,000)	2022 JPY (000,000)	2021 JPY (000,000)	2020 JPY (000,000)	2019 JPY (000,000)
Composition of Cash and Invested Assets					
Total Cash and Invested Assets	18,220,238	15,335,681	14,456,170	13,160,427	12,487,487
Cash (%)	16.4	16.4	15.3	14.7	15.4
Bonds (%)	47.3	50.0	52.4	53.0	53.4
Equity Securities (%)	19.2	15.5	17.2	18.6	17.8
Real Estate, Mortgages and Loans (%)	17.2	18.1	15.1	13.6	13.4
Total Cash and Unaffiliated Invested Assets (%)	100.0	100.0	100.0	100.0	100.0
Total Cash and Invested Assets (%)	100.0	100.0	100.0	100.0	100.0

Source: BestLink® - Best's Financial Suite

Operating Performance Highlights

	2023 JPY (000,000)	2022 JPY (000,000)	2021 JPY (000,000)	2020 JPY (000,000)	2019 JPY (000,000)
Financial Performance Summary					
Pre-Tax Income	740,972	460,282	563,519	217,798	225,381
Net Income after Non-Controlling Interests	624,862	326,285	449,983	157,128	142,885

Source: BestLink® - Best's Financial Suite

	2023	2022	2021	2020	2019
Operating and Financial Performance Ratios (%)					
Overall Performance:					
Return on Assets	3.1	1.7	2.7	1.0	1.0
Return on Capital and Surplus	11.4	6.6	9.9	3.9	3.7
Non-Life Performance:					
Loss and LAE Ratio	61.0	60.4	59.9	63.3	64.9
Expense Ratio	42.2	40.8	41.1	40.5	39.9
Non-Life Combined Ratio	103.2	101.3	100.9	103.7	104.7

Source: BestLink® - Best's Financial Suite

Last Update

April 25, 2025

Identifiers**AMB #:** 012295**NAIC #:** 10738**FEIN #:** 91-1932966**Contact Information**Administrative Office:

Three Bala Plaza East, Suite 400,
Bala Cynwyd, Pennsylvania
19004-1403
United States

Domiciliary Address:

8601 North Scottsdale Road, Suite
300, Scottsdale, Arizona 85253
United States

Web: www.tmamerica.com**Phone:** +1-212-297-6600**Fax:** +1-212-297-6062**Financial Data Presented**

The financial data in this report
reflects the most current data
available at the time the report was
printed.

Filing Date History

April 02, 2025 (April Annual)
March 21, 2025 (March Annual)
November 15, 2024 (9-Month)
August 15, 2024 (6-Month)
May 16, 2024 (3-Month)

TM Specialty Insurance Company**Operations****Date Incorporated:** October 22, 1998 | **Date Commenced:** January 01, 1999**Domiciled:** Arizona, United States**Licensed:** (Current since 05/24/2022). The company is licensed in Arizona.**Business Type:** Property/Casualty**Organization Type:** Stock**Marketing Type:** Broker**Best's Financial Size** XV (Greater than or Equal to USD 2.00 Billion)**Category:****Best's Credit Ratings****Rating Relationship****AM Best Rating Unit:** [090909 - Tokio Marine & Nichido Fire Ins Co Ltd](#)**Best's Credit Rating Effective Date:** September 06, 2024

TM Specialty Insurance Company is a member of the Tokio Marine & Nichido Fire Insurance Co., Ltd. (AMB# 090909) and the rating reflects its reinsurance agreement with Tokio Marine America Insurance Company (AMB# 012340). Refer to the [Best's Credit Report for AMB# 090909 - Tokio Marine & Nichido Fire Insurance Co., Ltd.](#) for details regarding the rating rationale, credit analysis, and financial exhibits available at the time the credit analysis was performed.

Best's Credit Rating History

AM Best has assigned ratings on this company since 2000. In our opinion, the company has a Superior ability to meet their ongoing insurance obligations and a Superior ability to meet their ongoing senior financial obligations.

The following are the most recent rating events, for longer history refer to [Rating History](#) in BestLink:

Best's Credit Rating History (Continued...)

Best's Financial Strength Ratings					Best's Long-Term Issuer Credit Ratings		
Effective Date	Rating	Affiliation	Outlook	Action	Rating	Outlook	Action
Current -							
Sep 6, 2024	A++	r (Reinsured Rating)	Stable	Affirmed	aa+	Stable	Affirmed
Sep 27, 2023	A++	r (Reinsured Rating)	Stable	Affirmed	aa+	Stable	Affirmed
Sep 9, 2022	A++	r (Reinsured Rating)	Stable	Affirmed	aa+	Stable	Affirmed
Sep 3, 2021	A++	r (Reinsured Rating)	Stable	Affirmed	aa+	Stable	Affirmed
Aug 14, 2020	A++	r (Reinsured Rating)	Stable	Affirmed	aa+	Stable	Affirmed

Corporate Structure

Ultimate Parent: AMB # 058633 - Tokio Marine Holdings, Inc.

Based on AM Best's analysis, AMB# 058633 Tokio Marine Holdings, Inc. is the AMB Ultimate Parent and identifies the topmost entity of the corporate structure. Access in BestLink this company's current [Corporate Structure](#).

Management

Day-to-day operations of the company are under the direction of a U.S. based management team that receives support from Tokio Marine Management, Inc., a wholly owned subsidiary of Tokio Marine America Insurance Company.

Officers

CEO, President: Daisuke Ugaeri

CFO: Karen A. Gilmer-Pauciello

Secretary: Edward Sayago

Treasurer: Michael Kelly

Directors

Yusuke Takaki

David Brooks

Ann Ginn

B. Steven Goldstein

Daisuke Ugaeri

History

The company was incorporated on October 22, 1998, under the laws of the State of Arizona as an excess and surplus lines carrier and commenced business on January 1, 1999. Effective September 30, 2012, the common stock of the company was transferred by Tokio Marine & Nichido Fire Insurance Co., Ltd. (United States Branch) (TMNF-US) to Tokio Marine & Nichido Fire Insurance Co., Ltd. (TMNF). Subsequently on November 30, 2012, TMNF contributed the company to Tokio Marine North America, Inc. (TMNA), an insurance holding company domiciled in the State of Delaware and a wholly owned direct subsidiary of TMNF. Effective December 31, 2015, the common stock of TM Specialty Insurance Company was transferred by TMNA to Tokio Marine America Insurance Company.

Paid-in capital of \$30,600,000 is comprised of 35,000 shares of common stock at a par value of \$100 per share and \$27,100,000 of contributed surplus. All authorized shares are issued and outstanding.

Regulatory

Auditor: PricewaterhouseCoopers, LLP

Actuary: Joseph Kilroy, FCAS, MAAA

An examination of the financial condition was made as of December 31, 2015, by the insurance departments of Arizona and Pennsylvania. The 2023 annual independent audit of the company was conducted by PricewaterhouseCoopers, LLP. The annual statement of actuarial opinion is provided by Joseph Kilroy, FCAS, MAAA, Chief Actuarial Officer.

Professional Service Providers

Investment Managers, Advisors, Brokers/Dealers:

- NEW ENGLAND ASSET MANAGEMENT (Unaffiliated Firm)

State Rate Filings

Summary of Approved Filings

The table below shows the number of approved filings in the last five years. For more information, please refer to [Best's State Rate Filings - 012295 - TM Specialty Insurance Company](#)

Major Line	2016	2015	2014	2013	2012
Commercial Multi-Peril	1	...	...	...	...
Total	1	...	...	...	...

Source: Best's State Rate Filings

Financial Statements

Financial Statements reflected were compiled from the most recent company-filed statement available in BestLink - Best's Statement File - P/C, US.

Currency: US Dollars

	Year End - December 31			
	2024		2023	
Balance Sheet	USD (000)	%	USD (000)	%
Cash and Short Term Investments	1,253	16.4	1,372	18.2
Bonds	6,346	83.0	6,080	80.8
Total Cash and Invested Assets	7,599	99.4	7,452	99.0
Other Assets	47	0.6	73	1.0
Total Assets	7,646	100.0	7,525	100.0
Loss and Loss Adjustment Expense Reserves:				
Other Liabilities	488	6.4	526	7.0
Total Liabilities	488	6.4	526	7.0
Capital Stock	3,500	45.8	3,500	46.5
Paid-In and Contributed Surplus	1,435	18.8	1,435	19.1
Unassigned Surplus	2,223	29.1	2,064	27.4
Total Policyholders' Surplus	7,158	93.6	6,999	93.0
Total Liabilities and Surplus	7,646	100.0	7,525	100.0

Source: BestLink® - Best's Financial Suite

	Year End - December 31	
	2024	2023
Income Statement USD (000)		
Net Losses and LAE Incurred:		
Net Investment Income	198	167
Pre-Tax Operating Income	198	167
Income Taxes Incurred	37	31
Net Operating Income	161	136
Net Realized Capital Gains (Losses)	...	...
Net Income	161	136

Source: BestLink® - Best's Financial Suite

Statement of Operating Cash Flows USD (000)

	2024	2023
Net Premiums Collected	-8	...
Net Losses Paid	...	...
Expenses Paid	...	...
Net Underwriting Cash Flow	-8	...
Net Investment Income	201	169
Income Taxes Paid (Recovered)	38	32
Net Operating Cash Flow	155	136

Source: BestLink® - Best's Financial Suite

Financial Results

Financial exhibits presented in this report provide calculated ratios using the most recent company-filed statements available in BestLink - Best's Statement File – P/C, US. Access [Quantitative Analytical Report \(QAR\) Annual](#) and [Quarterly](#) for additional details.

Key Financial Indicators

	Year End - December 31				
Key Financial Indicators USD (000)	2024	2023	2022	2021	2020
Premiums Written:					
Direct	...	-30	...	...	...
Assumed	...	25	...	...	...
Ceded	...	-5	...	...	...
Net Operating Income	161	136	109	57	826
Net Income	161	136	110	57	2,548
Total Admitted Assets	7,646	7,525	7,358	7,280	7,210
Policyholders' Surplus	7,158	6,999	6,864	6,753	6,676

Source: BestLink® - Best's Financial Suite

	Year End - December 31					Weighted 5-Year Average
Key Financial Ratios (%)	2024	2023	2022	2021	2020	
Profitability:						
Net Investment Yield	2.6	2.2	1.8	1.1	4.0	2.9
Net Income Return on Policyholders' Surplus	2.3	2.0	1.6	0.8	10.4	5.8
Total Return on Policyholders' Surplus	2.3	2.0	1.6	0.8	10.4	5.8
Leverage:						
Net	0.1	0.1	0.1	0.1	0.1	...
Gross	0.1	0.1	0.1	0.1	0.1	...

Source: BestLink® - Best's Financial Suite

Balance Sheet Highlights

	Year End - December 31				
Capital Generation Analysis USD (000)	2024	2023	2022	2021	2020
Beginning Policyholders' Surplus	6,999	6,864	6,753	6,676	42,129
Net Operating Income	161	136	109	57	826
Net Realized Capital Gains (Losses)	...	...	...	...	1,722
Net Change in Paid-In Capital and Surplus	...	...	...	...	-25,665
Stockholder Dividends	...	...	...	...	-12,335
Other Changes in Capital and Surplus	-1	-1	1	20	-2
Net Change in Policyholders' Surplus	160	135	111	77	-35,453
Ending Policyholders' Surplus	7,158	6,999	6,864	6,753	6,676
Net Change in Policyholders' Surplus (%)	2.3	2.0	1.6	1.2	-84.2
Net Change in Policyholders' Surplus (5 yr CAGR)	-29.8	...	...	...	...

Source: BestLink® - Best's Financial Suite

Balance Sheet Highlights

	Year End - December 31				
Liquidity Analysis	2024	2023	2022	2021	2020
Net Operating Cash Flow USD (000)	155	136	107	71	1,424
Current Liquidity (%)	999.9	999.9	999.9	999.9	999.9

Source: BestLink® - Best's Financial Suite

	Year End - December 31				
Ceded Reinsurance Analysis	2024	2023	2022	2021	2020
TM Specialty Insurance Company					
Ceded Reinsurance USD (000)	...	-30	...	...	71
Reinsurance Recoverables to PHS (%)	...	...	...	...	1.1
Ceded Reinsurance to PHS (%)	...	...	...	...	1.1
Surplus Lines Composite					
Business Retention (%)	27.1	25.6	27.4	31.1	30.0
Reinsurance Recoverables to PHS (%)	74.0	68.5	71.1	68.7	67.0
Ceded Reinsurance to PHS (%)	113.1	108.6	110.1	105.9	100.7

Source: BestLink® - Best's Financial Suite

Asset Liability Management | Investments

	Year End - December 31				
	2024	2023	2022	2021	2020
Composition of Cash and Invested Assets					
Total Cash and Invested Assets USD (000)	7,599	7,452	7,312	7,243	7,115
Composition Percentages (%)					
Unaffiliated:					
Cash and Short Term Investments	16.5	18.4	11.9	44.0	18.3
Bonds	83.5	81.6	88.1	56.0	60.6
Other Invested Assets	...	...	...	...	21.1
Total Unaffiliated	100.0	100.0	100.0	100.0	100.0
Total	100.0	100.0	100.0	100.0	100.0

Source: BestLink® - Best's Financial Suite

	Years				
Bonds and Short Term Investments	0-1	1-5	5-10	10-20	20+
Distribution by Maturity (%)					
Government Bonds	0.8	10.3	1.0	0.7	0.1
Government Agencies and Municipal Bonds	4.5	16.8	18.0	9.8	7.0
Industrial and Miscellaneous Bonds	...	3.9	27.0	...	...
Total Bonds	5.4	31.1	45.9	10.6	7.1

Source: BestLink® - Best's Financial Suite

Balance Sheet Highlights

Asset Liability Management | Investments (Continued...)

	Year End - December 31				
	2024	2023	2022	2021	2020
Bond Portfolio					
Bonds & Short Term Investments USD(000)	6,346	6,080	6,442	4,058	4,312
By Issuer (%)					
Unaffiliated Bonds:					
US Government	13.0	14.0	28.0	36.7	37.7
Foreign - All other	2.4	2.5	...	...	...
State, Municipal & Special Revenue	56.1	53.8	50.0	58.2	60.4
Industrial and Misc, Hybrid and SVO Identified	28.5	29.7	22.0	5.1	1.8
Bonds and Short Term Investments By Private vs Public (%)					
Public issues	100.0	100.0	100.0	100.0	100.0
Bonds and Short Term Investments By Quality (%)					
Class 1	96.9	96.8	96.9	100.0	100.0
Class 2	3.1	3.2	3.1	...	...

Source: BestLink® - Best's Financial Suite

Operating Performance Highlights

	Year End - December 31					Weighted 5-Year Average
Operating and Financial Performance Ratios (%)	2024	2023	2022	2021	2020	
TM Specialty Insurance Company						
Net Investment Yield	2.6	2.2	1.8	1.1	4.0	2.9
Net Income Return on Policyholders' Surplus	2.3	2.0	1.6	0.8	10.4	5.8
Total Return on Policyholders' Surplus	2.3	2.0	1.6	0.8	10.4	5.8

Source: BestLink® - Best's Financial Suite

	Year End - December 31					Weighted 5-Year Average
Operating and Financial Performance Ratios (%)	2024	2023	2022	2021	2020	
Surplus Lines Composite						
Calendar Year Loss and LAE Ratio	62.0	58.9	64.5	69.4	70.7	64.4
Expense and Policyholder Dividend Ratio	26.4	27.9	27.6	23.9	26.0	26.4
Combined Ratio	88.4	86.7	92.2	93.3	96.6	90.8
Reserve Development Ratio Impact	1.1	-5.8	-1.9	1.1	-1.2	-1.3
Net Investment Yield	4.0	3.5	2.4	1.9	2.2	2.9
Pre-Tax Operating Return on Net Earned Premiums	28.0	27.3	16.5	11.5	11.3	20.2
Net Income Return on Policyholders' Surplus	22.1	10.3	8.9	5.2	4.2	10.9
Total Return on Policyholders' Surplus	16.1	18.0	-4.0	15.7	7.3	11.0

Source: BestLink® - Best's Financial Suite

	Year End - December 31				
Geographic - Direct Loss Ratio (%)	2024	2023	2022	2021	2020
All Other	-36.5
Total	-36.5

Source: BestLink® - Best's Financial Suite

Business Profile Highlights

Premium Composition and Growth	Year End - December 31					5 Year CAGR
	2024	2023	2022	2021	2020	
Direct Premiums Written USD (000)	...	-30	...	...	...	...
% Change	-99.9	...	...	...	-99.9	...
Reinsurance Premiums Assumed USD (000)	...	25	...	...	...	...
% Change	-99.9	...	...	...	...	...
Reinsurance Premiums Ceded USD (000)	...	-5	...	...	...	...
% Change	-99.9	...	...	...	-99.9	...
Net Premiums Written USD (000)	...	...	...	...	...	...
% Change	...	...	...	...	...	...

Source: BestLink® - Best's Financial Suite

Historical Market Presence

By Geographic Breakdown - DPW USD (000)	Year End - December 31				
	2024	2023	2022	2021	2020
California	...	-30	...	...	...
Total	...	-30	...	...	...

Source: BestLink® - Best's Financial Suite

Last Update

April 25, 2025

Identifiers**AMB #:** 003643**NAIC #:** 32301**FEIN #:** 20-0940754**Contact Information**Administrative Office:

Three Bala Plaza East, Suite 400,
Bala Cynwyd, Pennsylvania
19004-1403
United States

Domiciliary Address:

590 Madison Avenue, 29Th Floor,
New York, New York 10022-2524
United States

Web: www.tmamerica.com**Phone:** +1-212-297-6600**Fax:** +1-212-297-6062**Financial Data Presented**

The financial data in this report reflects the most current data available at the time the report was printed.

Filing Date History

April 02, 2025 (April Annual)
March 21, 2025 (March Annual)
November 15, 2024 (9-Month)
August 15, 2024 (6-Month)
May 16, 2024 (3-Month)

TNUS Insurance Company**Operations****Date Incorporated:** September 04, 1975 | **Date Commenced:** July 01, 2004**Domiciled:** New York, United States

Licensed: (Current since 03/27/2019). Credit is allowed for reinsurance as a licensed reinsurer in Wyoming. The company is licensed in the District of Columbia, AL, AK, AZ, AR, CA, CO, CT, DE, FL, GA, HI, ID, IL, IN, IA, KS, KY, LA, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV and WI.

Business Type:

Property/Casualty

Organization Type:

Stock

Marketing Type:

Independent Agency

Best's Financial Size Category:

XV (Greater than or Equal to USD 2.00 Billion)

Best's Credit Ratings**Rating Relationship****AM Best Rating Unit:** [090909 - Tokio Marine & Nichido Fire Ins Co Ltd](#)**Best's Credit Rating Effective Date:** September 06, 2024

TNUS Insurance Company is a member of the Tokio Marine & Nichido Fire Insurance Co., Ltd. (AMB# 090909) and the rating reflects its reinsurance agreement with Tokio Marine America Insurance Company (AMB# 012340). Refer to the [Best's Credit Report for AMB# 090909 - Tokio Marine & Nichido Fire Insurance Co., Ltd.](#) for details regarding the rating rationale, credit analysis, and financial exhibits available at the time the credit analysis was performed.

Best's Credit Rating History

AM Best has assigned ratings on this company since 1982. In our opinion, the company has a Superior ability to meet their ongoing insurance obligations and a Superior ability to meet their ongoing senior financial obligations.

The following are the most recent rating events, for longer history refer to [Rating History](#) in BestLink:

Best's Credit Rating History (Continued...)

Best's Financial Strength Ratings					Best's Long-Term Issuer Credit Ratings		
Effective Date	Rating	Affiliation	Outlook	Action	Rating	Outlook	Action
Current -							
Sep 6, 2024	A++	r (Reinsured Rating)	Stable	Affirmed	aa+	Stable	Affirmed
Sep 27, 2023	A++	r (Reinsured Rating)	Stable	Affirmed	aa+	Stable	Affirmed
Sep 9, 2022	A++	r (Reinsured Rating)	Stable	Affirmed	aa+	Stable	Affirmed
Sep 3, 2021	A++	r (Reinsured Rating)	Stable	Affirmed	aa+	Stable	Affirmed
Aug 14, 2020	A++	r (Reinsured Rating)	Stable	Affirmed	aa+	Stable	Affirmed

Corporate Structure

Ultimate Parent: AMB # 058633 - Tokio Marine Holdings, Inc.

Based on AM Best's analysis, AMB# 058633 Tokio Marine Holdings, Inc. is the AMB Ultimate Parent and identifies the topmost entity of the corporate structure. Access in BestLink this company's current [Corporate Structure](#).

Management

Day-to-day operations of the company are under the direction of a U.S based management team that receives support from Tokio Marine Management, Inc., a wholly owned subsidiary of Tokio Marine America Insurance Company.

Officers

CEO, President: Daisuke Ugaeri

CFO: Karen A. Gilmer-Pauciello

Secretary: Edward Sayago

Treasurer: Michael Kelly

Directors

Yusuke Takaki

David Brooks

Ann Ginn

B. Steven Goldstein

David Gottschall

Tetsujiro Ihara

Daisuke Ugaeri

History

On February 11, 2004, TNUS Insurance Company was formed under the laws of the State of New York as the vehicle for the domestication of the United States Branch of The Nichido Fire and Marine Insurance Company, Limited of Tokyo, Japan (Nichido Japan-USB). The domestication was finalized on July 1, 2004 as all assets and liabilities of Nichido Japan USB were transferred to TNUS through a Domestication Agreement and Transfer and Assumption Agreement.

Up to November 30, 2012 TNUS was a wholly owned subsidiary of Tokio Marine & Nichido Fire Insurance Co., Ltd. (United States Branch) (TMNF-US). Effective that date, the common stock was transferred by TMNF to Tokio Marine North America, Inc. (TMNA). Effective December 31, 2015, the common stock of the company was transferred by TMNA to Tokio Marine America Insurance Company.

Paid in capital of \$9,900,000 is comprised of 500,000 shares of common stock at a par value of \$10 per share and \$4,900,000 of contributed surplus. All authorized shares are issued and outstanding.

Corporate Changes

Date	Event Type	Company Name	Current Company Name	Corporate Changes Text
07/01/2004	Merged	Nichido Fire and Marine Insurance Company, Limited (U.S. Branch)	TNUS Insurance Company	On July 1, 2004, all assets and liabilities of the Branch were transferred to the newly licensed company, TNUS Insurance Company, through a domestication agreement and a transfer and assumption agreement .
07/01/2004	Name Change	Nichido Fire and Marine Insurance Company	TNUS Insurance Company	This company changed its name to TNUS Insurance Company on July 1, 2004.

Search for this company in [Corporate Changes](#) in BestLink to review previous changes.

Regulatory

Auditor: PricewaterhouseCoopers, LLP

Actuary: Joseph Kilroy, FCAS, MAAA

An examination of the financial condition was made as of December 31, 2015, by the insurance department of New York. The 2023 annual independent audit of the company was conducted by PricewaterhouseCoopers, LLP. The annual statement of actuarial opinion is provided by Joseph Kilroy, FCAS, MAAA, Chief Actuarial Officer.

Professional Service Providers**Investment Managers, Advisors, Brokers/Dealers:**

- NEW ENGLAND ASSET MANAGEMENT (Unaffiliated Firm)

State Rate Filings**Summary of Approved Filings**

The table below shows the number of approved filings in the last five years. For more information, please refer to [Best's State Rate Filings - 003643 - TNUS Insurance Company](#)

Major Line	2025	2024	2023	2022	2021
Boiler & Machinery	...	1	8	...	48
Commercial Auto	20	59	70	12	90
Commercial General Liability	4	13	27	52	115
Commercial Inland Marine	10	68	14	1	7
Commercial Interline	5	10	33	25	16
Commercial Multi-Peril	...	3	14	7	39
Crime	7	34	6	2	...
Fidelity & Surety	2	27	2	...	...
Fire And Allied Lines (Commercial Property)	6	86	40	2	7
Workers Compensation	6	19	72	25	20
Total	60	320	286	126	342

Source: Best's State Rate Filings

Financial Statements

Financial Statements reflected were compiled from the most recent company-filed statement available in BestLink - Best's Statement File - P/C, US.

Currency: US Dollars

	Year End - December 31			
	2024		2023	
Balance Sheet	USD (000)	%	USD (000)	%
Cash and Short Term Investments	3,895	5.5	5,112	7.2
Bonds	63,965	90.7	61,553	86.4
Total Cash and Invested Assets	67,860	96.2	66,665	93.6
Premium Balances	901	1.3	1,602	2.2
Net Deferred Tax Asset	118	0.2	...	...
Other Assets	1,664	2.4	2,956	4.1
Total Assets	70,544	100.0	71,223	100.0
Loss and Loss Adjustment Expense Reserves:				
Net LAE Reserves	249	0.4	268	0.4
Total Net Loss and LAE Reserves	249	0.4	268	0.4
Other Liabilities	2,655	3.8	4,568	6.4
Total Liabilities	2,904	4.1	4,836	6.8
Capital Stock	5,000	7.1	5,000	7.0
Paid-In and Contributed Surplus	4,900	6.9	4,900	6.9
Unassigned Surplus	57,740	81.8	56,487	79.3
Total Policyholders' Surplus	67,640	95.9	66,387	93.2
Total Liabilities and Surplus	70,544	100.0	71,223	100.0

Source: BestLink® - Best's Financial Suite

	Year End - December 31	
	2024	2023
Income Statement USD (000)		
Net Losses and LAE Incurred:		
Prior Accident Years	7	5
Underwriting Expenses Incurred	6	4
Net Underwriting Income	-13	-9
Net Investment Income	2,233	1,920
Other Income (Expense)	-1	-7
Pre-Tax Operating Income	2,219	1,904
Income Taxes Incurred	436	347
Net Operating Income	1,783	1,558
Net Realized Capital Gains (Losses)	-21	12
Net Income	1,761	1,570

Source: BestLink® - Best's Financial Suite

	Year End - December 31	
	2024	2023
Statement of Operating Cash Flows USD (000)		
Net Premiums Collected	80	97
Net Losses Paid	-1,612	1,805
Expenses Paid	-630	-65
Net Underwriting Cash Flow	2,321	-1,644
Net Investment Income	2,219	2,013
Other Income (Expense)	-1	-7
Income Taxes Paid (Recovered)	286	335
Net Operating Cash Flow	4,254	27

Source: BestLink® - Best's Financial Suite

Financial Results

Financial exhibits presented in this report provide calculated ratios using the most recent company-filed statements available in BestLink - Best's Statement File – P/C, US. Access [Quantitative Analytical Report \(QAR\) Annual](#) and [Quarterly](#) for additional details.

Key Financial Indicators

Key Financial Indicators USD (000)	Year End - December 31				
	2024	2023	2022	2021	2020
Premiums Written:					
Direct	5,962	5,433	6,160	8,417	9,555
Assumed	28	34	89	64	95
Ceded	5,991	5,468	6,249	8,480	9,650
Net Operating Income	1,783	1,558	1,297	1,186	1,239
Net Income	1,761	1,570	1,298	1,180	1,317
Total Admitted Assets	70,544	71,223	67,228	67,280	65,839
Policyholders' Surplus	67,640	66,387	64,486	61,840	61,759

Source: BestLink® - Best's Financial Suite

Key Financial Ratios (%)	Year End - December 31					Weighted 5-Year Average
	2024	2023	2022	2021	2020	
Profitability:						
Net Investment Yield	3.3	2.9	2.4	2.2	2.3	2.6
Net Income Return on Policyholders' Surplus	2.6	2.4	2.1	1.9	2.2	2.2
Total Return on Policyholders' Surplus	2.6	2.4	2.1	1.9	2.2	2.2
Leverage:						
Net	...	0.1	...	0.1	0.1	...
Gross	0.1	0.1	0.2	0.3	0.2	...

Source: BestLink® - Best's Financial Suite

Balance Sheet Highlights

Capital Generation Analysis USD (000)	Year End - December 31				
	2024	2023	2022	2021	2020
Beginning Policyholders' Surplus	66,387	64,486	61,840	61,759	60,189
Net Operating Income	1,783	1,558	1,297	1,186	1,239
Net Realized Capital Gains (Losses)	-21	12	...	-6	79
Other Changes in Capital and Surplus	-508	331	1,349	-1,099	252
Net Change in Policyholders' Surplus	1,253	1,900	2,647	81	1,570
Ending Policyholders' Surplus	67,640	66,387	64,486	61,840	61,759
Net Change in Policyholders' Surplus (%)	1.9	2.9	4.3	0.1	2.6
Net Change in Policyholders' Surplus (5 yr CAGR)	2.4	...	...	...	...

Source: BestLink® - Best's Financial Suite

Liquidity Analysis	Year End - December 31				
	2024	2023	2022	2021	2020
Net Operating Cash Flow USD (000)	4,254	27	4,012	998	5,139
Current Liquidity (%)	999.9	999.9	999.9	999.9	999.9

Source: BestLink® - Best's Financial Suite

Balance Sheet Highlights

	Year End - December 31				
Ceded Reinsurance Analysis	2024	2023	2022	2021	2020
TNUS Insurance Company					
Ceded Reinsurance USD (000)	6,805	5,586	8,800	12,534	7,886
Reinsurance Recoverables to PHS (%)	7.7	6.2	10.3	15.9	7.8
Ceded Reinsurance to PHS (%)	10.1	8.4	13.6	20.3	12.8
Workers' Compensation Composite					
Business Retention (%)	56.6	58.8	58.8	61.7	64.5
Reinsurance Recoverables to PHS (%)	25.2	21.9	23.6	22.8	25.3
Ceded Reinsurance to PHS (%)	37.9	32.8	35.2	33.3	35.7

Source: BestLink® - Best's Financial Suite

	Paid & Unpaid Losses	Incurred but not reported (IBNR) losses	Unearned premiums	Other Recoverables	Total Reinsurance Recoverables
2024 Reinsurance Recoverables USD (000)					
US Affiliates	5,007	15,305	1,625	...	21,936
Foreign Affiliates	...	6	...	...	6
US Insurers	616	3,916	319	-1,086	3,765
Other Non-US	...	1,038	...	...	1,038
Total (excluding US Affiliates)	616	4,960	319	-1,086	4,809
Grand Total	5,623	20,681	1,944	-1,086	27,162

Source: BestLink® - Best's Financial Suite

Asset Liability Management | Investments

	Year End - December 31				
	2024	2023	2022	2021	2020
Composition of Cash and Invested Assets					
Total Cash and Invested Assets USD (000)	67,860	66,665	64,624	61,510	61,282
Composition Percentages (%)					
Unaffiliated:					
Cash and Short Term Investments	5.7	7.7	9.7	10.1	13.2
Bonds	94.3	92.3	90.3	89.9	86.3
Other Invested Assets	...	...	...	...	0.5
Total Unaffiliated	100.0	100.0	100.0	100.0	100.0
Total	100.0	100.0	100.0	100.0	100.0

Source: BestLink® - Best's Financial Suite

	Years					Average (Years)
Bonds and Short Term Investments	0-1	1-5	5-10	10-20	20+	
Distribution by Maturity (%)						
Government Bonds	1.5	6.0	0.7	0.2	...	3.4
Government Agencies and Municipal Bonds	4.3	20.0	20.8	14.1	3.6	8.3
Industrial and Miscellaneous Bonds	5.1	8.2	15.4	...	...	5.0
Total Bonds	10.9	34.2	36.9	14.3	3.6	6.9

Source: BestLink® - Best's Financial Suite

Balance Sheet Highlights

Asset Liability Management | Investments (Continued...)

	Year End - December 31				
	2024	2023	2022	2021	2020
Bond Portfolio					
Bonds & Short Term Investments USD(000)	63,965	61,553	58,358	55,323	52,890
By Issuer (%)					
Unaffiliated Bonds:					
US Government	8.4	8.6	9.7	9.0	10.9
Foreign - All other	2.0	1.5	0.9	0.9	0.9
State, Municipal & Special Revenue	62.8	60.6	63.0	67.6	65.6
Industrial and Misc, Hybrid and SVO Identified	26.8	29.2	26.5	22.5	22.5
Bonds and Short Term Investments By Private vs Public (%)					
Public issues	100.0	100.0	100.0	100.0	100.0
Bonds and Short Term Investments By Quality (%)					
Class 1	98.4	98.1	94.9	93.7	91.7
Class 2	1.6	1.9	5.1	6.3	8.3

Source: BestLink® - Best's Financial Suite

Reserve Adequacy

Loss and Loss Adjustment Expense Reserve Development

	Year End - December 31				
	2024	2023	2022	2021	2020
Calendar Year:					
Loss and ALAE* Reserves Development USD (000)
Development to:					
Original Reserves (%)
Prior Year End Reserves(%)
Prior Year End Surplus (%)

Source: BestLink® - Best's Financial Suite

Operating Performance Highlights

	Year End - December 31				
	2024	2023	2022	2021	2020
Operating and Financial Performance Ratios (%)					
TNUS Insurance Company					
Net Investment Yield	3.3	2.9	2.4	2.2	2.3
Net Income Return on Policyholders' Surplus	2.6	2.4	2.1	1.9	2.2
Total Return on Policyholders' Surplus	2.6	2.4	2.1	1.9	2.2

Source: BestLink® - Best's Financial Suite

Operating Performance Highlights

Year End - December 31

Operating and Financial Performance Ratios (%)

	2024	2023	2022	2021	2020	Weighted 5-Year Average
Workers' Compensation Composite						
Calendar Year Loss and LAE Ratio	64.6	65.2	67.2	67.5	68.2	66.5
Expense and Policyholder Dividend Ratio	36.4	35.3	34.9	35.9	34.3	35.4
Combined Ratio	101.0	100.5	102.1	103.4	102.5	101.9
Reserve Development Ratio Impact	-10.1	-12.8	-10.8	-13.1	-14.3	-12.2
Net Investment Yield	3.5	3.6	2.7	2.5	2.7	3.0
Pre-Tax Operating Return on Net Earned Premiums	19.1	18.8	14.0	11.9	11.5	15.2
Net Income Return on Policyholders' Surplus	6.6	5.7	4.4	6.2	5.6	5.7
Total Return on Policyholders' Surplus	8.4	8.1	-0.8	9.6	6.8	6.4

Source: BestLink® - Best's Financial Suite

Year End - December 31

Geographic - Direct Loss Ratio (%)

	2024	2023	2022	2021	2020
California	-99.9	-14.9	46.9	29.0	92.0
Alabama	26.9	-99.9	139.0	-75.6	116.8
Georgia	158.7	123.5	-99.9	159.2	47.2
Illinois	50.9	98.6	-99.9	48.8	25.1
New Jersey	940.9	216.7	-53.8	81.5	88.2
New York	771.8	-99.9	-99.9	-66.3	9.1
South Carolina	25.4	-0.3	134.8	-99.9	-99.9
Michigan	-99.9	217.3	72.6	111.9	141.5
Hawaii	-37.6	12.7	-78.9	-59.1	46.0
Missouri	-99.9	442.4	999.9	-51.2	-99.9
All Other	448.7	-99.9	-99.9	210.4	6.2
Total	34.0	-57.5	-24.6	85.7	52.0

Source: BestLink® - Best's Financial Suite

Business Profile Highlights

Year End - December 31

Premium Composition and Growth

	2024	2023	2022	2021	2020	5 Year CAGR
Direct Premiums Written USD (000)	5,962	5,433	6,160	8,417	9,555	...
% Change	9.7	-11.8	-26.8	-11.9	-24.1	-13.9
Reinsurance Premiums Assumed USD (000)	28	34	89	64	95	...
% Change	-17.2	-61.6	40.0	-33.0	95.6	-10.2
Reinsurance Premiums Ceded USD (000)	5,991	5,468	6,249	8,480	9,650	...
% Change	9.6	-12.5	-26.3	-12.1	-23.7	-13.9
Net Premiums Written USD (000)	...	...	...	...	...	...
% Change	...	...	...	...	...	...

Source: BestLink® - Best's Financial Suite

Business Profile Highlights

Historical Market Presence

By Geographic Breakdown - DPW USD (000)	Year End - December 31				
	2024	2023	2022	2021	2020
California	2,969	3,336	3,779	3,171	4,203
Alabama	1,164	379	476	255	484
Georgia	483	672	370	909	568
Illinois	428	215	201	359	350
New Jersey	235	140	313	481	402
New York	133	-14	150	722	957
South Carolina	130	18	26	25	42
Michigan	105	75	60	191	211
Hawaii	88	360	121	151	281
Missouri	55	39	-5	10	49
All Other	173	212	669	2,143	2,007
Total	5,962	5,433	6,160	8,417	9,555
Geographic Concentration Index	0.30	...	...	...	...

Source: BestLink® - Best's Financial Suite

By Line Reserves USD (000)	Year End - December 31				
	2024	2023	2022	2021	2020
Workers Comp	226	232	239	...	...
Other Liab	18	32	45	...	...
Comm M.P.	5	5	...	...	...
All Other	...	...	...	...	...
Total	249	268	284	...	...

Source: BestLink® - Best's Financial Suite

Last Update

April 25, 2025

Identifiers**AMB #:** 012340**NAIC #:** 10945**FEIN #:** 13-4032666**Contact Information**Administrative Office:

Three Bala Plaza East, Suite 400,
Bala Cynwyd, Pennsylvania
19004-1403
United States

Domiciliary Address:

590 Madison Avenue, 29Th Floor,
New York, New York 10022-2524
United States

Web: www.tmamerica.com**Phone:** +1-212-297-6600**Fax:** +1-212-297-6062**Financial Data Presented**

The financial data in this report
reflects the most current data
available at the time the report was
printed.

Filing Date History

April 02, 2025 (April Annual)
March 21, 2025 (March Annual)
November 15, 2024 (9-Month)
August 15, 2024 (6-Month)
May 16, 2024 (3-Month)

Tokio Marine America Insurance Company

Operations

Date Incorporated: August 13, 1998 | **Date Commenced:** September 23, 1999**Domiciled:** New York, United States**Licensed:** (Current since 09/17/2021). The company is licensed in the District of Columbia, Puerto Rico and all states.**Business Type:** Property/Casualty**Organization Type:** Stock**Marketing Type:** Independent Agency**Best's Financial Size** XV (Greater than or Equal to USD 2.00 Billion)**Category:**

Best's Credit Ratings

Rating Relationship**AM Best Rating Unit:** [090909 - Tokio Marine & Nichido Fire Ins Co Ltd](#)**Best's Credit Rating Effective Date:** September 06, 2024

Tokio Marine America Insurance Company is a member of Tokio Marine & Nichido Fire Insurance Co., Ltd. (AMB# 090909). Tokio Marine America Insurance Company (TMA) is a member of the Tokio Marine & Nichido Fire Insurance Company, Limited (TMNF), rating unit due to its status as a highly integrated, wholly owned subsidiary in the United States. It holds an important strategic role within the organization as the primary insurer in the United States that receives explicit support through internal reinsurance. Refer to the [Best's Credit Report for AMB# 090909 - Tokio Marine & Nichido Fire Insurance Co., Ltd.](#) for details regarding the rating rationale, credit analysis, and financial exhibits available at the time the credit analysis was performed.

Best's Credit Rating History

AM Best has assigned ratings on this company since 2000. In our opinion, the company has a Superior ability to meet their ongoing insurance obligations and a Superior ability to meet their ongoing senior financial obligations.

The following are the most recent rating events, for longer history refer to [Rating History](#) in BestLink:

Best's Credit Rating History (Continued...)

Best's Financial Strength Ratings					Best's Long-Term Issuer Credit Ratings		
Effective Date	Rating	Affiliation	Outlook	Action	Rating	Outlook	Action
Current -							
Sep 6, 2024	A++	g (Group Rating)	Stable	Affirmed	aa+	Stable	Affirmed
Sep 27, 2023	A++	g (Group Rating)	Stable	Affirmed	aa+	Stable	Affirmed
Sep 9, 2022	A++	g (Group Rating)	Stable	Affirmed	aa+	Stable	Affirmed
Sep 3, 2021	A++	g (Group Rating)	Stable	Affirmed	aa+	Stable	Affirmed
Aug 14, 2020	A++	g (Group Rating)	Stable	Affirmed	aa+	Stable	Affirmed

Corporate Structure

Ultimate Parent: AMB # 058633 - Tokio Marine Holdings, Inc.

Based on AM Best's analysis, AMB# 058633 Tokio Marine Holdings, Inc. is the AMB Ultimate Parent and identifies the topmost entity of the corporate structure. Access in BestLink this company's current [Corporate Structure](#).

Management

Day-to-day operations of the company is under the direction of a U.S. based management team that receives support from Tokio Marine Management, Inc., a wholly owned subsidiary of Tokio Marine America Insurance Company.

Officers

CEO, President: Daisuke Ugaeri

CFO: Karen A. Gilmer-Pauciello

Secretary: Edward Sayago

Treasurer: Michael Kelly

Directors

David Brooks

Yusuke Takaki

Ann Ginn

B. Steven Goldstein

David Gottschall

Donald Pizer

Tetsujiro Ihara

Daisuke Ugaeri

James Zrebiec

History

The company was incorporated on August 13, 1998, under the laws of the State of New York, as TM Casualty Insurance Company. It was licensed on September 23, 1999, to write workers' compensation and employers' liability insurance. Effective March 15, 2012, the company changed its name to Tokio Marine America Insurance Company. Paid-in capital of \$190,609,748 is comprised of 50,001 shares of common stock at a par value of \$100 per share and \$185,609,648 of contributed surplus. All authorized shares are issued and outstanding.

Tokio Marine & Nichido Fire Insurance Co., Ltd. (United States Branch) (TMNF-US) was established in 1955 with a New York port of entry to engage in business on behalf of The Tokio Marine and Fire Insurance Company, Limited, located in Tokyo, Japan. The parent was founded in 1879, and was active in the United States since 1911, although operations were suspended between 1941 and 1955.

The Tokio Marine and Fire Insurance Company, Limited, and The Nichido Fire and Marine Insurance Company Limited (Nichido Japan) integrated their management and business under a publicly traded Japanese holding company called Millea Holdings, Inc. (Millea). The companies became wholly owned subsidiaries of Millea on April 1, 2002, in a statutory share exchange under Japanese law. When the merger was finalized on October 1, 2004, the merged entity commenced operations as a new property and casualty insurance

company, Tokio Marine & Nichido Fire Insurance Co., Ltd. (TMNF), with Millea as its publicly traded holding company. Effective July 1, 2008, Millea changed its name to Tokio Marine Holdings, Inc.

Nichido Japan's U.S. Branch was domesticated on July 1, 2004, in order to comply with U.S. insurance regulations prohibiting an alien insurer from maintaining two U.S. branches. On February 11, 2004, TNUS Insurance Company (TNUS) was formed under the laws of the State of New York as the vehicle for the domestication of Nichido Japan's U.S. Branch. Upon domestication, TNUS became a wholly owned subsidiary of TMNF.

Effective September 30, 2012, the common stock of Tokio Marine Management, Inc. (TMM), TPI and TMS was transferred by TMNF-US to TMNF. Subsequently on November 30, 2012, TMNF contributed the common stock of TMM, TPI, TMS and TNUS to TMNA, an insurance holding company domiciled in the State of Delaware and a wholly owned direct subsidiary of TMNF. Effective November 30, 2013, the common stock of Tokio Marine America Insurance Company (TMAIC) was transferred by TMNF-US to TMNF.

Effective December 31, 2013, in conjunction with its domestication, TMNF-US merged with and into TMAIC, with TMAIC remaining as the surviving entity. All of the assets and liabilities of TMNF-US were transferred to, and assumed by TMAIC. Effective January 1, 2014, the common stock of TMAIC was transferred by TMNF to TMNA.

Effective December 31, 2015, the common stock of TMM, TPI, TMS and TNUS was transferred by TMNA to TMAIC.

TMAIC provides quota share reinsurance to TPI, TMS and TNUS, whereby 100% of all premiums, losses and loss adjustment expenses are ceded to TMAIC.

Corporate Changes

Date	Event Type	Company Name	Current Company Name	Corporate Changes Text
03/15/2012	Name Change	TM Casualty Insurance Company	Tokio Marine America Insurance Company	This company changed its name to Tokio Marine America Insurance Company on March 15, 2012.

Search for this company in [Corporate Changes](#) in BestLink to review previous changes.

Regulatory

Auditor: PricewaterhouseCoopers, LLP

Actuary: Joseph Kilroy, FCAS, MAAA

An examination of the financial condition was made as of December 31, 2015, by the insurance department of New York. The 2023 annual independent audit of the company was conducted by PricewaterhouseCoopers, LLP. The annual statement of actuarial opinion is provided by Joseph Kilroy, FCAS, MAAA, Chief Actuarial Officer.

Professional Service Providers

Investment Managers, Advisors, Brokers/Dealers:

- DELPHI CAPITAL MANAGEMENT (Affiliated Firm)
- ALLSPRING GLOBAL INVESTMENTS (Unaffiliated Firm)
- NEW ENGLAND ASSET MANAGEMENT (Unaffiliated Firm)

State Rate Filings

Summary of Approved Filings

The table below shows the number of approved filings in the last five years. For more information, please refer to [Best's State Rate Filings - 012340 - Tokio Marine America Insurance Company](#)

AMB #: 012340 - Tokio Marine America Insurance Company

Major Line	2025	2024	2023	2022	2021
Aviation	...	1	4	30	93
Boiler & Machinery	...	1	10	...	53
Commercial Auto	22	65	130	20	97
Commercial General Liability	4	14	184	145	174
Commercial Inland Marine	12	94	24	57	8
Commercial Interline	5	11	34	25	17
Commercial Multi-Peril	...	3	14	7	40
Crime	7	42	6	2	...
Fidelity & Surety	2	30	4	...	...
Fire And Allied Lines (Commercial Property)	7	92	76	3	54
Fire And Allied Lines (Personal Property)	1	1	2	...	...
Homeowners Multi-Peril	1	1	2	...	...
Personal General Liability	...	1	2	1	...
Personal Inland Marine	...	2	4	69	...
Private Passenger Auto	...	2	2	2	...
Workers Compensation	8	37	96	36	32
Total	69	397	594	397	568

Source: Best's State Rate Filings

Financial Statements

Financial Statements reflected were compiled from the most recent company-filed statement available in BestLink - Best's Statement File - P/C, US.

Currency: US Dollars

	Year End - December 31			
	2024		2023	
Balance Sheet	USD (000)	%	USD (000)	%
Cash and Short Term Investments	49,818	3.4	94,131	6.6
Bonds	988,833	67.7	935,913	65.4
Preferred and Common Stock	142,283	9.7	141,652	9.9
Other Invested Assets	18,175	1.2	13,236	0.9
Total Cash and Invested Assets	1,199,109	82.1	1,184,932	82.8
Premium Balances	175,816	12.0	140,460	9.8
Net Deferred Tax Asset	20,493	1.4	21,104	1.5
Other Assets	64,769	4.4	83,948	5.9
Total Assets	1,460,186	100.0	1,430,445	100.0
Loss and Loss Adjustment Expense Reserves:				
Net Reported Loss Reserves	207,088	14.2	220,090	15.4
Net IBNR Loss Reserves	350,388	24.0	324,730	22.7
Net LAE Reserves	139,121	9.5	131,058	9.2
Total Net Loss and LAE Reserves	696,597	47.7	675,879	47.2
Net Unearned Premiums	160,580	11.0	153,147	10.7
Other Liabilities	112,593	7.7	107,566	7.5
Total Liabilities	969,771	66.4	936,592	65.5
Capital Stock	5,000	0.3	5,000	0.3
Paid-In and Contributed Surplus	185,610	12.7	185,610	13.0
Unassigned Surplus	273,298	18.7	250,176	17.5
Other Surplus	26,507	1.8	53,067	3.7
Total Policyholders' Surplus	490,415	33.6	493,853	34.5
Total Liabilities and Surplus	1,460,186	100.0	1,430,445	100.0

Source: BestLink® - Best's Financial Suite

AMB #: 012340 - Tokio Marine America Insurance Company
Year End - December 31

Income Statement USD (000)	2024	2023
Net Premiums Earned	318,924	315,324
Net Losses and LAE Incurred:		
Current Accident Year	232,356	212,847
Prior Accident Years	14,217	2,171
Underwriting Expenses Incurred	97,498	92,310
Dividends to Policyholders	...	...
Net Underwriting Income	-25,147	7,996
Net Investment Income	45,765	42,780
Other Income (Expense)	7,674	14,706
Pre-Tax Operating Income	28,293	65,481
Income Taxes Incurred	6,144	13,526
Net Operating Income	22,149	51,955
Net Realized Capital Gains (Losses)	-1,598	-1,342
Net Income	20,551	50,613

Source: BestLink® - Best's Financial Suite

	Year End - December 31	
Statement of Operating Cash Flows USD (000)	2024	2023
Net Premiums Collected	345,189	318,602
Net Losses Paid	166,101	193,735
Expenses Paid	139,413	129,104
Dividends to Policyholders	...	...
Net Underwriting Cash Flow	39,675	-4,237
Net Investment Income	45,793	44,041
Other Income (Expense)	-617	3,403
Income Taxes Paid (Recovered)	4,377	13,748
Net Operating Cash Flow	80,474	29,459

Source: BestLink® - Best's Financial Suite

Financial Results

Financial exhibits presented in this report provide calculated ratios using the most recent company-filed statements available in BestLink - Best's Statement File – P/C, US. Access [Quantitative Analytical Report \(QAR\) Annual](#) and [Quarterly](#) for additional details.

Key Financial Indicators

	Year End - December 31				
Key Financial Indicators USD (000)	2024	2023	2022	2021	2020
Premiums Written:					
Direct	601,936	568,742	542,496	504,939	505,321
Assumed	68,174	49,021	51,034	48,758	40,831
Ceded	343,972	291,366	288,892	284,441	274,233
Net	326,138	326,397	304,638	269,256	271,920
Net Operating Income	22,149	51,955	39,462	44,267	79,721
Net Income	20,551	50,613	40,813	46,051	80,773
Total Admitted Assets	1,460,186	1,430,445	1,420,221	1,380,785	1,387,736
Policyholders' Surplus	490,415	493,853	484,080	497,625	430,442

Source: BestLink® - Best's Financial Suite

Key Financial Indicators

Key Financial Ratios (%)	Year End - December 31					Weighted 5-Year Average
	2024	2023	2022	2021	2020	
Profitability:						
Combined Ratio	107.2	96.5	94.2	93.8	95.1	97.6
Reserve Development Combined Ratio Impact	4.5	0.7	-0.2	-5.6	-2.4	-0.4
Net Investment Yield	3.8	3.6	3.1	2.9	6.2	3.9
Pre-Tax Operating Return on Net Earned Premiums	8.9	20.8	16.7	20.0	32.0	19.3
Net Income Return on Policyholders' Surplus	4.2	10.4	8.3	9.9	18.1	10.0
Total Return on Policyholders' Surplus	5.7	13.5	8.5	10.7	11.4	9.9
Leverage:						
Net	2.6	2.5	2.5	2.3	2.8	...
Gross	4.0	3.1	4.6	4.3	5.0	...
Non-affiliated Investment	9.9	8.8	10.1	11.6	11.2	...

Source: BestLink® - Best's Financial Suite

Balance Sheet Highlights

Capital Generation Analysis USD (000)	Year End - December 31				
	2024	2023	2022	2021	2020
Beginning Policyholders' Surplus	493,853	484,080	497,625	430,442	460,078
Net Operating Income	22,149	51,955	39,462	44,267	79,721
Net Realized Capital Gains (Losses)	-1,598	-1,342	1,350	1,784	1,052
Net Unrealized Capital Gains (Losses)	7,255	15,416	998	3,643	-29,956
Stockholder Dividends	-38,500	-50,000	-34,500	...	-73,000
Other Changes in Capital and Surplus	7,256	-6,257	-20,856	17,490	-7,453
Net Change in Policyholders' Surplus	-3,438	9,773	-13,545	67,184	-29,636
Ending Policyholders' Surplus	490,415	493,853	484,080	497,625	430,442
Net Change in Policyholders' Surplus (%)	-0.7	2.0	-2.7	15.6	-6.4
Net Change in Policyholders' Surplus (5 yr CAGR)	1.3	...	...	...	...

Source: BestLink® - Best's Financial Suite

Liquidity Analysis	Year End - December 31				
	2024	2023	2022	2021	2020
Net Operating Cash Flow USD (000)	80,474	29,459	56,372	-2,190	45,704
Current Liquidity (%)	106.6	110.1	113.0	118.9	112.6

Source: BestLink® - Best's Financial Suite

Ceded Reinsurance Analysis	Year End - December 31				
	2024	2023	2022	2021	2020
Tokio Marine America Insurance Company					
Ceded Reinsurance USD (000)	1,332,799	1,143,367	1,042,639	1,026,163	942,479
Business Retention (%)	48.7	52.8	51.3	48.6	49.8
Reinsurance Recoverables to PHS (%)	181.0	155.5	139.2	135.0	141.3
Ceded Reinsurance to PHS (%)	271.8	231.5	215.4	206.2	219.0
Commercial Casualty Composite					
Business Retention (%)	79.0	79.1	78.6	78.3	79.0
Reinsurance Recoverables to PHS (%)	70.1	71.3	73.0	72.7	73.5
Ceded Reinsurance to PHS (%)	104.1	104.3	105.1	104.3	103.4

Source: BestLink® - Best's Financial Suite

Balance Sheet Highlights

	Paid & Unpaid Losses	Incurred but not reported (IBNR) losses	Unearned premiums	Other Recoverables	Total Reinsurance Recoverables
2024 Reinsurance Recoverables USD (000)					
US Affiliates	1,889	509	281	...	2,678
Foreign Affiliates	164,937	175,858	132	-362	340,565
US Insurers	61,669	78,286	31,162	-6,675	164,442
Other Non-US	8,395	27,804	3,263	-112	39,352
Total (excluding US Affiliates)	235,001	281,948	34,557	-7,149	544,359
Grand Total	290,855	427,394	179,521	-7,254	890,516

Source: BestLink® - Best's Financial Suite

Asset Liability Management | Investments

	Year End - December 31				
	2024	2023	2022	2021	2020
Composition of Cash and Invested Assets					
Total Cash and Invested Assets USD (000)	1,199,109	1,184,932	1,194,043	1,173,946	1,202,889
Composition Percentages (%)					
Unaffiliated:					
Cash and Short Term Investments	4.2	7.9	7.0	2.0	7.4
Bonds	82.5	79.0	80.2	84.6	78.6
Stocks	0.9	1.2	1.7	3.1	3.1
Other Invested Assets	1.5	1.1	0.6	...	1.0
Total Unaffiliated	89.0	89.2	89.6	89.7	90.1
Investments in Affiliates	13.8	13.4	12.4	11.9	11.4
Non-Admitted	-2.8	-2.7	-2.0	-1.6	-1.6
Total	100.0	100.0	100.0	100.0	100.0

Source: BestLink® - Best's Financial Suite

	Years					Average (Years)
	0-1	1-5	5-10	10-20	20+	
Bonds and Short Term Investments						
Distribution by Maturity (%)						
Government Bonds	0.1	0.9	0.3	0.2	...	5.4
Government Agencies and Municipal Bonds	3.3	5.8	5.6	13.0	7.2	12.5
Industrial and Miscellaneous Bonds	4.1	23.6	15.4	8.9	8.2	8.8
Hybrid Securities	0.5	2.4	0.6	...	...	3.4
Total Bonds	7.9	32.6	22.0	22.1	15.4	9.8

Source: BestLink® - Best's Financial Suite

Balance Sheet Highlights

Asset Liability Management | Investments (Continued...)

	Year End - December 31				
	2024	2023	2022	2021	2020
Bond Portfolio					
Bonds & Short Term Investments USD(000)	988,833	936,413	987,917	993,477	950,009
By Issuer (%)					
Unaffiliated Bonds:					
US Government	1.3	1.1	1.1	1.1	0.9
Foreign Government	0.2	0.2	0.1	0.1	0.1
Foreign - All other	3.5	2.7	2.8	3.7	4.0
State, Municipal & Special Revenue	34.9	38.6	39.8	39.6	39.4
Industrial and Misc, Hybrid and SVO Identified	60.1	57.5	56.2	55.5	55.5
Bonds and Short Term Investments By Private vs Public (%)					
Private issues	32.5	27.6	24.1	25.3	22.9
Public issues	67.5	72.4	75.9	74.7	77.1
Bonds and Short Term Investments By Quality (%)					
Class 1	76.5	75.9	76.3	73.2	75.5
Class 2	20.5	21.1	20.1	22.7	20.9
Class 3	2.9	2.9	3.5	3.8	3.3
Class 4	0.1	0.1	...	0.2	0.2
Class 6	...	...	...	...	0.1
Below Investment Grade (NAIC 3-6)	3.0	3.1	3.6	4.1	3.6
Below Investment Grade - % of Policyholders' Surplus	6.1	5.8	7.3	8.2	7.9

Source: BestLink® - Best's Financial Suite

	Year End - December 31				
	2024	2023	2022	2021	2020
Stock Portfolio					
Stocks USD(000)	142,283	141,652	144,959	157,309	156,023
By Type (%)					
Unaffiliated Common	0.1	1.0	4.6	10.7	9.3
Affiliated Common	92.7	90.0	85.8	76.8	76.2
Unaffiliated Preferred	7.2	8.9	9.6	12.5	14.5

Source: BestLink® - Best's Financial Suite

Reserve Adequacy

Loss and Loss Adjustment Expense Reserve Development

	Year End - December 31				
	2024	2023	2022	2021	2020
Calendar Year:					
Loss and ALAE* Reserves USD (000)	638,981	630,929	649,865	637,218	622,953
Loss and ALAE* Reserves Development USD (000)	...	7,660	12,828	8,869	-18,650
Development to:					
Original Reserves (%)	...	1.2	2.0	1.4	-2.9
Prior Year End Reserves(%)
Prior Year End Surplus (%)	...	1.6	2.6	1.8	-4.3

Source: BestLink® - Best's Financial Suite

Balance Sheet Highlights

Reserve Adequacy (Continued...)

Loss and Loss Adjustment Expense Reserve Development (Continued...)

	Year End - December 31				
	2024	2023	2022	2021	2020
Accident Year:					
Original Loss and ALAE Reserves USD (000)	143,988	125,488	116,125	108,152	107,989
Loss and ALAE Reserves Developed thru Latest Year End USD (000)	143,988	127,428	121,285	120,231	106,579
Development to Original Reserves (%)	...	1.5	4.4	11.2	-1.3
Accident Year Loss and LAE Ratio (%)	72.9	68.2	67.4	73.4	65.5
Accident Year Combined Ratio (%)	102.8	96.5	95.9	104.4	96.9

Source: BestLink® - Best's Financial Suite

Operating Performance Highlights

	Year End - December 31					Weighted 5-Year Average
Operating and Financial Performance Ratios (%)	2024	2023	2022	2021	2020	
Tokio Marine America Insurance Company						
Calendar Year Loss and LAE Ratio	77.3	68.2	65.7	62.9	63.8	67.9
Expense and Policyholder Dividend Ratio	29.9	28.3	28.5	30.9	31.3	29.7
Combined Ratio	107.2	96.5	94.2	93.8	95.1	97.6
Reserve Development Ratio Impact	4.5	0.7	-0.2	-5.6	-2.4	-0.4
Net Investment Yield	3.8	3.6	3.1	2.9	6.2	3.9
Pre-Tax Operating Return on Net Earned Premiums	8.9	20.8	16.7	20.0	32.0	19.3
Net Income Return on Policyholders' Surplus	4.2	10.4	8.3	9.9	18.1	10.0
Total Return on Policyholders' Surplus	5.7	13.5	8.5	10.7	11.4	9.9

Source: BestLink® - Best's Financial Suite

	Year End - December 31					Weighted 5-Year Average
Operating and Financial Performance Ratios (%)	2024	2023	2022	2021	2020	
Commercial Casualty Composite						
Calendar Year Loss and LAE Ratio	67.6	69.1	67.9	67.2	70.4	68.4
Expense and Policyholder Dividend Ratio	29.4	28.4	28.1	28.8	29.6	28.8
Combined Ratio	97.0	97.5	96.0	96.0	100.0	97.2
Reserve Development Ratio Impact	-0.6	-0.3	-0.8	-1.9	-1.0	-0.9
Net Investment Yield	4.2	3.8	3.2	3.3	3.3	3.6
Pre-Tax Operating Return on Net Earned Premiums	14.0	12.2	12.6	13.5	9.8	12.5
Net Income Return on Policyholders' Surplus	11.1	8.7	9.0	11.2	7.1	9.5
Total Return on Policyholders' Surplus	12.9	10.9	5.5	14.2	8.0	10.4

Source: BestLink® - Best's Financial Suite

Operating Performance Highlights

	Year End - December 31				
	2024	2023	2022	2021	2020
By Line - Net Loss Ratio (%)					
Workers Comp	36.3	16.9	33.2	40.6	28.4
Comm Auto Liab	87.7	79.5	58.9	57.3	53.9
Auto Phys Dmg	67.8	65.2	83.2	68.0	47.9
Fire	9.1	30.1	8.4	13.4	15.0
Comm M.P.	41.0	54.5	59.5	24.7	64.6
Ocean Marine	60.9	63.9	65.6	56.5	47.7
Allied Lines	47.4	57.3	57.9	56.3	175.7
Other A&H	90.5	82.5	56.1	...	...
PP Auto Liab	82.7	69.9	71.8	48.3	61.5
Homeowners	34.4	49.0	48.1	38.9	34.2
All Other	194.4	78.4	70.2	66.9	75.9
Total	61.6	56.8	53.2	49.0	52.3

Source: BestLink® - Best's Financial Suite

	Year End - December 31				
	2024	2023	2022	2021	2020
Geographic - Direct Loss Ratio (%)					
California	61.9	55.9	70.8	39.2	59.0
Texas	80.5	86.3	118.0	153.3	56.2
New York	79.8	53.6	60.8	43.6	80.1
Ohio	55.2	-9.0	57.3	23.5	4.2
New Jersey	231.3	54.9	88.5	95.1	88.3
Georgia	70.3	40.3	25.9	73.5	58.0
Florida	79.1	63.7	102.0	17.9	78.0
Illinois	49.1	62.4	32.4	6.8	83.2
Kentucky	29.8	36.0	53.8	19.3	55.5
Indiana	117.0	41.2	35.9	4.6	43.4
All Other	47.0	35.0	32.5	47.1	42.6
Total	67.9	47.5	58.2	51.1	55.9

Source: BestLink® - Best's Financial Suite

Business Profile Highlights

	Year End - December 31					5 Year CAGR
	2024	2023	2022	2021	2020	
Premium Composition and Growth						
Direct Premiums Written USD (000)	601,936	568,742	542,496	504,939	505,321	...
% Change	5.8	4.8	7.4	-0.1	11.4	5.8
Reinsurance Premiums Assumed USD (000)	68,174	49,021	51,034	48,758	40,831	...
% Change	39.1	-3.9	4.7	19.4	2.8	11.4
Reinsurance Premiums Ceded USD (000)	343,972	291,366	288,892	284,441	274,233	...
% Change	18.1	0.9	1.6	3.7	36.4	11.3
Net Premiums Written USD (000)	326,138	326,397	304,638	269,256	271,920	...
% Change	-0.1	7.1	13.1	-1.0	-6.9	2.2

Source: BestLink® - Best's Financial Suite

Business Profile Highlights
Historical Market Presence

	Year End - December 31				
	2024	2023	2022	2021	2020
By Line Breakdown - NPW USD (000)					
Comm Auto Liab	65,449	54,889	55,216	50,430	49,760
Workers Comp	60,975	57,774	52,512	44,079	53,247
Fire	35,697	33,418	29,610	27,244	24,999
Auto Phys Dmg	34,641	24,985	20,443	18,748	18,302
Comm M.P.	28,221	23,027	22,490	19,144	19,460
Ocean Marine	23,954	22,588	28,666	24,685	24,370
Allied Lines	22,047	21,214	17,474	14,475	14,318
Other A&H	16,099	16,815	14,230	...	...
PP Auto Liab	13,736	13,276	12,750	12,806	12,593
Inland Marine-T	7,469	6,700	5,593	5,270	7,463
All Other	17,849	51,711	45,656	52,376	47,409
Total	326,138	326,397	304,638	269,256	271,920

Source: BestLink® - Best's Financial Suite

	Year End - December 31				
	2024	2023	2022	2021	2020
By Geographic Breakdown - DPW USD (000)					
California	137,483	144,375	137,770	136,119	165,348
Texas	60,393	52,911	46,235	39,967	39,017
New York	32,567	30,226	28,002	24,478	24,999
Ohio	28,873	26,731	22,288	18,302	18,155
New Jersey	28,734	25,257	25,999	27,071	22,896
Georgia	26,310	26,246	22,567	19,017	18,202
Florida	25,781	22,250	21,639	24,764	21,734
Illinois	23,971	22,149	20,330	17,691	20,213
Kentucky	21,587	16,379	15,080	12,346	12,081
Indiana	17,551	14,561	12,699	11,431	11,589
All Other	198,685	187,657	189,887	173,752	151,087
Total	601,936	568,742	542,496	504,939	505,321
Geographic Concentration Index	0.08	...	...	...	...

Source: BestLink® - Best's Financial Suite

	Year End - December 31				
	2024	2023	2022	2021	2020
By Line Reserves USD (000)					
Workers Comp	254,755	255,833	269,560	...	...
Other Liab	145,682	145,090	156,734	...	...
Comm Auto Liab	104,654	96,055	88,136	...	...
Product Liab	45,054	40,738	34,944	...	...
Comm M.P.	35,071	33,185	35,067	...	...
Excess Wrk Cmp	25,600	25,771	26,714	...	...
Ocean Marine	19,640	18,166	18,170	...	...
Allied Lines	18,644	13,975	17,658	...	...
PP Auto Liab	15,865	14,847	15,503	...	...
Other A&H	11,761	13,087	12,726	...	...
All Other	19,872	19,130	13,975	...	...
Total	696,597	675,879	689,187	...	...

Source: BestLink® - Best's Financial Suite

Last Update

April 25, 2025

Identifiers**AMB #:** 002882**NAIC #:** 41238**FEIN #:** 13-3118700**Contact Information**Administrative Office:

Three Bala Plaza East, Suite 400,
Bala Cynwyd, Pennsylvania
19004-1403
United States

Domiciliary Address:

590 Madison Avenue, 29Th Floor,
New York, New York 10022-2524
United States

Web: www.tmamerica.com**Phone:** +1-212-297-6600**Financial Data Presented**

The financial data in this report reflects the most current data available at the time the report was printed.

Filing Date History

April 02, 2025 (April Annual)
March 21, 2025 (March Annual)
November 18, 2024 (9-Month)
August 15, 2024 (6-Month)
May 16, 2024 (3-Month)

Trans Pacific Insurance Company**Operations****Date Incorporated:** January 21, 1982 | **Date Commenced:** January 21, 1982**Domiciled:** New York, United States

Licensed: (Current since 12/03/2001). The company is licensed in the District of Columbia, AL, AK, AZ, AR, CA, CO, CT, DE, FL, GA, HI, ID, IL, IN, IA, KS, KY, ME, MD, MA, MI, MN, MS, MO, MT, NE, NV, NJ, NY, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VA, WA, WV, WI and WY.

Business Type: Property/Casualty**Organization Type:** Stock**Marketing Type:** Independent Agency**Best's Financial Size Category:** XV (Greater than or Equal to USD 2.00 Billion)**Best's Credit Ratings****Rating Relationship****AM Best Rating Unit:** [090909 - Tokio Marine & Nichido Fire Ins Co Ltd](#)**Best's Credit Rating Effective Date:** September 06, 2024

Trans Pacific Insurance Company is a member of the Tokio Marine & Nichido Fire Insurance Co., Ltd. (AMB# 090909) and the rating reflects its reinsurance agreement with Tokio Marine America Insurance Company (AMB# 012340). Refer to the [Best's Credit Report for AMB# 090909 - Tokio Marine & Nichido Fire Insurance Co., Ltd.](#) for details regarding the rating rationale, credit analysis, and financial exhibits available at the time the credit analysis was performed.

Best's Credit Rating History

AM Best has assigned ratings on this company since 1983. In our opinion, the company has a Superior ability to meet their ongoing insurance obligations and a Superior ability to meet their ongoing senior financial obligations.

The following are the most recent rating events, for longer history refer to [Rating History](#) in BestLink:

Best's Credit Rating History (Continued...)

Best's Financial Strength Ratings					Best's Long-Term Issuer Credit Ratings		
Effective Date	Rating	Affiliation	Outlook	Action	Rating	Outlook	Action
Current -							
Sep 6, 2024	A++	r (Reinsured Rating)	Stable	Affirmed	aa+	Stable	Affirmed
Sep 27, 2023	A++	r (Reinsured Rating)	Stable	Affirmed	aa+	Stable	Affirmed
Sep 9, 2022	A++	r (Reinsured Rating)	Stable	Affirmed	aa+	Stable	Affirmed
Sep 3, 2021	A++	r (Reinsured Rating)	Stable	Affirmed	aa+	Stable	Affirmed
Aug 14, 2020	A++	r (Reinsured Rating)	Stable	Affirmed	aa+	Stable	Affirmed

Corporate Structure

Ultimate Parent: AMB # 058633 - Tokio Marine Holdings, Inc.

Based on AM Best's analysis, AMB# 058633 Tokio Marine Holdings, Inc. is the AMB Ultimate Parent and identifies the topmost entity of the corporate structure. Access in BestLink this company's current [Corporate Structure](#).

Management

Day-to-day operations of the company are under the direction of a U.S based management team that receives support from Tokio Marine Management, Inc., a wholly owned subsidiary of Tokio Marine America Insurance Company.

Officers

CEO, President: Daisuke Ugaeri

CFO: Karen A. Gilmer-Pauciello

Secretary: Edward Sayago

Treasurer: Michael Kelly

Directors

David Brooks

Tetsujiro Ihara

Ann Ginn

B. Steven Goldstein

David Gottschall

Yusuke Takaki

Daisuke Ugaeri

History

The company was incorporated on January 21, 1982, under the laws of New York and commenced business the same day.

Effective September 30, 2012, the common stock of the company was transferred by Tokio Marine & Nichido Fire Insurance Co., Ltd. (United States Branch) (TMNF-US) to Tokio Marine & Nichido Fire Insurance Co., Ltd., Tokyo, Japan (TMNF). Effective November 30, 2012, the common stock of the company was transferred by TMNF to Tokio Marine North America, Inc. (TMNA). Effective December 31, 2015, the common stock of the company was transferred by TMNA to Tokio Marine America Insurance Company (TMAIC).

Paid-in capital of \$27,000,000 is comprised of 50,000 shares of common stock at a par value of \$100 per share and \$22,000,000 of contributed surplus. All authorized shares are issued and outstanding.

Regulatory

Auditor: PricewaterhouseCoopers, LLP

Actuary: Joseph Kilroy, FCAS, MAAA

An examination of the financial condition is being made as of December 31, 2019, by the insurance department of New York. The 2023 annual independent audit of the company was conducted by PricewaterhouseCoopers, LLP. The annual statement of actuarial opinion is provided by Joseph Kilroy, FCAS, MAAA, Chief Actuarial Officer.

Professional Service Providers

Investment Managers, Advisors, Brokers/Dealers:

- NEW ENGLAND ASSET MANAGEMENT (Unaffiliated Firm)

State Rate Filings

Summary of Approved Filings

The table below shows the number of approved filings in the last five years. For more information, please refer to [Best's State Rate Filings - 002882 - Trans Pacific Insurance Company](#)

Major Line	2025	2024	2023	2022	2021
Boiler & Machinery	...	1	8	...	46
Commercial Auto	18	58	62	9	86
Commercial General Liability	4	12	23	48	108
Commercial Inland Marine	7	63	11	1	5
Commercial Interline	5	10	33	25	12
Commercial Multi-Peril	...	3	11	6	34
Crime	7	36	5	1	...
Fidelity & Surety	2	27	4	...	...
Fire And Allied Lines (Commercial Property)	6	82	37	2	7
Fire And Allied Lines (Personal Property)	1	1	1	...	...
Homeowners Multi-Peril	1	1	1	...	...
Personal General Liability	...	...	2	1	...
Private Passenger Auto	...	2	1	2	...
Workers Compensation	9	27	84	29	27
Total	60	323	283	124	325

Source: Best's State Rate Filings

Financial Statements

Financial Statements reflected were compiled from the most recent company-filed statement available in BestLink - Best's Statement File - P/C, US.

Currency: US Dollars

	Year End - December 31			
	2024		2023	
Balance Sheet	USD (000)	%	USD (000)	%
Cash and Short Term Investments	8,841	11.1	4,200	5.6
Bonds	60,694	76.1	61,159	82.3
Total Cash and Invested Assets	69,535	87.1	65,358	87.9
Premium Balances	7,262	9.1	2,790	3.8
Net Deferred Tax Asset	278	0.3	355	0.5
Other Assets	2,714	3.4	5,843	7.9
Total Assets	79,789	100.0	74,347	100.0
Loss and Loss Adjustment Expense Reserves:				
Net Reported Loss Reserves	1,328	1.7	1,480	2.0
Net IBNR Loss Reserves	1,071	1.3	2,497	3.4
Net LAE Reserves	1,603	2.0	1,999	2.7
Total Net Loss and LAE Reserves	4,002	5.0	5,976	8.0
Other Liabilities	11,592	14.5	7,235	9.7
Total Liabilities	15,594	19.5	13,211	17.8
Capital Stock	5,000	6.3	5,000	6.7
Paid-In and Contributed Surplus	22,000	27.6	22,000	29.6
Unassigned Surplus	37,195	46.6	34,136	45.9
Total Policyholders' Surplus	64,195	80.5	61,136	82.2
Total Liabilities and Surplus	79,789	100.0	74,347	100.0

Source: BestLink® - Best's Financial Suite

	Year End - December 31	
	2024	2023
Income Statement USD (000)		
Net Premiums Earned	...	...
Net Losses and LAE Incurred:		
Current Accident Year	...	...
Prior Accident Years	-214	-73
Underwriting Expenses Incurred	13	8
Dividends to Policyholders	...	...
Net Underwriting Income	200	65
Net Investment Income	1,958	1,727
Other Income (Expense)	-54	-30
Pre-Tax Operating Income	2,104	1,763
Income Taxes Incurred	396	308
Net Operating Income	1,708	1,454
Net Realized Capital Gains (Losses)	-54	14
Net Income	1,654	1,469

Source: BestLink® - Best's Financial Suite

Statement of Operating Cash Flows USD (000)

	2024	2023
Net Premiums Collected	-6,164	4,527
Net Losses Paid	-1,428	3,370
Expenses Paid	331	198
Dividends to Policyholders	...	...
Net Underwriting Cash Flow	-5,068	959
Net Investment Income	2,086	1,976
Other Income (Expense)	-54	-30
Income Taxes Paid (Recovered)	148	287
Net Operating Cash Flow	-3,184	2,619

Source: BestLink® - Best's Financial Suite

Financial Results

Financial exhibits presented in this report provide calculated ratios using the most recent company-filed statements available in BestLink - Best's Statement File – P/C, US. Access [Quantitative Analytical Report \(QAR\) Annual](#) and [Quarterly](#) for additional details.

Key Financial Indicators

	Year End - December 31				
Key Financial Indicators USD (000)	2024	2023	2022	2021	2020
Premiums Written:					
Direct	23,470	10,999	16,957	12,657	13,797
Assumed	72	158	134	56	338
Ceded	23,543	11,156	17,091	12,714	14,134
Net	-1	1	...	...	1
Net Operating Income	1,708	1,454	1,020	1,297	916
Net Income	1,654	1,469	1,020	1,330	994
Total Admitted Assets	79,789	74,347	73,556	71,927	70,420
Policyholders' Surplus	64,195	61,136	59,897	58,992	57,119

Source: BestLink® - Best's Financial Suite

	Year End - December 31					Weighted 5-Year Average
Key Financial Ratios (%)	2024	2023	2022	2021	2020	
Profitability:						
Combined Ratio	999.9	999.9	-99.9	-99.9	999.9	999.9
Reserve Development Combined Ratio Impact	999.9	999.9	-99.9	-99.9	999.9	999.9
Net Investment Yield	2.9	2.6	2.3	2.1	2.3	2.4
Pre-Tax Operating Return on Net Earned Premiums	-99.9	-99.9	-99.9	999.9	999.9	999.9
Net Income Return on Policyholders' Surplus	2.6	2.4	1.7	2.3	1.8	2.2
Total Return on Policyholders' Surplus	2.6	2.4	1.7	2.3	1.8	2.2
Leverage:						
Net	0.2	0.2	0.2	0.2	0.2	...
Gross	0.7	0.3	0.5	0.6	0.6	...

Source: BestLink® - Best's Financial Suite

Balance Sheet Highlights

	Year End - December 31				
Capital Generation Analysis USD (000)	2024	2023	2022	2021	2020
Beginning Policyholders' Surplus	61,136	59,897	58,992	57,119	55,451
Net Operating Income	1,708	1,454	1,020	1,297	916
Net Realized Capital Gains (Losses)	-54	14	...	33	78
Other Changes in Capital and Surplus	1,405	-230	-114	543	673
Net Change in Policyholders' Surplus	3,059	1,239	905	1,873	1,667
Ending Policyholders' Surplus	64,195	61,136	59,897	58,992	57,119
Net Change in Policyholders' Surplus (%)	5.0	2.1	1.5	3.3	3.0
Net Change in Policyholders' Surplus (5 yr CAGR)	3.0	...	...	...	...

Source: BestLink® - Best's Financial Suite

	Year End - December 31				
Liquidity Analysis	2024	2023	2022	2021	2020
Net Operating Cash Flow USD (000)	-3,184	2,619	-800	-223	6,972
Current Liquidity (%)	521.9	593.1	571.7	563.4	517.0

Source: BestLink® - Best's Financial Suite

	Year End - December 31				
Ceded Reinsurance Analysis	2024	2023	2022	2021	2020
Trans Pacific Insurance Company					
Ceded Reinsurance USD (000)	38,462	21,051	17,162	21,159	19,794
Reinsurance Recoverables to PHS (%)	50.0	23.2	20.2	25.2	27.0
Ceded Reinsurance to PHS (%)	59.9	34.4	28.7	35.9	34.7
Workers' Compensation Composite					
Business Retention (%)	56.6	58.8	58.8	61.7	64.5
Reinsurance Recoverables to PHS (%)	25.2	21.9	23.6	22.8	25.3
Ceded Reinsurance to PHS (%)	37.9	32.8	35.2	33.3	35.7

Source: BestLink® - Best's Financial Suite

	Paid & Unpaid Losses	Incurred but not reported (IBNR) losses	Unearned premiums	Other Recoverables	Total Reinsurance Recoverables
2024 Reinsurance Recoverables USD (000)					
US Affiliates	13,109	32,134	13,339	...	58,582
Foreign Affiliates	18,898	2,092	...	...	20,988
US Insurers	1,140	6,428	65	-2,173	5,458
Other Non-US	990	1,989	...	...	2,978
Total (excluding US Affiliates)	21,028	10,509	65	-2,173	29,424
Grand Total	34,161	44,891	13,777	-2,173	90,657

Source: BestLink® - Best's Financial Suite

Balance Sheet Highlights

Asset Liability Management | Investments

	Year End - December 31				
	2024	2023	2022	2021	2020
Composition of Cash and Invested Assets					
Total Cash and Invested Assets USD (000)	69,535	65,358	65,858	64,755	64,143
Composition Percentages (%)					
Unaffiliated:					
Cash and Short Term Investments	12.7	6.4	7.8	12.5	11.2
Bonds	87.3	93.6	92.2	87.5	84.5
Other Invested Assets	...	...	...	...	4.4
Total Unaffiliated	100.0	100.0	100.0	100.0	100.0
Total	100.0	100.0	100.0	100.0	100.0

Source: BestLink® - Best's Financial Suite

	Years					
	0-1	1-5	5-10	10-20	20+	Average (Years)
Bonds and Short Term Investments						
Distribution by Maturity (%)						
Government Bonds	0.9	7.7	0.3	...	...	3.0
Government Agencies and Municipal Bonds	6.8	21.0	21.9	13.5	2.4	7.5
Industrial and Miscellaneous Bonds	2.0	7.1	15.0	1.4	...	6.1
Total Bonds	9.7	35.8	37.1	14.9	2.4	6.8

Source: BestLink® - Best's Financial Suite

	Year End - December 31				
	2024	2023	2022	2021	2020
Bond Portfolio					
Bonds & Short Term Investments USD(000)	60,694	61,159	60,719	56,667	54,181
By Issuer (%)					
Unaffiliated Bonds:					
US Government	8.9	9.3	9.3	8.6	4.5
Foreign - All other	2.0	1.6	1.3	1.3	1.4
State, Municipal & Special Revenue	65.6	66.6	72.0	73.6	74.9
Industrial and Misc, Hybrid and SVO Identified	23.5	22.5	17.4	16.4	19.1
Bonds and Short Term Investments By Private vs Public (%)					
Public issues	100.0	100.0	100.0	100.0	100.0
Bonds and Short Term Investments By Quality (%)					
Class 1	96.9	97.0	96.6	95.6	94.5
Class 2	3.1	3.0	3.4	4.4	5.5

Source: BestLink® - Best's Financial Suite

Balance Sheet Highlights

Reserve Adequacy

Loss and Loss Adjustment Expense Reserve Development

	Year End - December 31				
	2024	2023	2022	2021	2020
Calendar Year:					
Loss and ALAE* Reserves USD (000)	2,568	2,698	2,824	3,002	3,405
Loss and ALAE* Reserves Development USD (000)	...	-1,670	-1,685	-1,504	-1,573
Development to:					
Original Reserves (%)	...	-38.2	-37.4	-33.4	-31.6
Prior Year End Reserves(%)	...	...	...	...	...
Prior Year End Surplus (%)	...	-2.7	-2.8	-2.5	-2.8

Source: BestLink® - Best's Financial Suite

	Year End - December 31				
	2024	2023	2022	2021	2020
Accident Year:					
Original Loss and ALAE Reserves USD (000)
Loss and ALAE Reserves Developed thru Latest Year End USD (000)
Development to Original Reserves (%)
Accident Year Loss and LAE Ratio (%)
Accident Year Combined Ratio (%)	-99.9	830.9	999.9	-99.9	999.9

Source: BestLink® - Best's Financial Suite

Operating Performance Highlights

	Year End - December 31					Weighted 5-Year Average
Operating and Financial Performance Ratios (%)	2024	2023	2022	2021	2020	
Trans Pacific Insurance Company						
Calendar Year Loss and LAE Ratio	999.9	999.9	-99.9	-99.9	999.9	999.9
Expense and Policyholder Dividend Ratio	-99.9	830.9	999.9	-99.9	999.9	999.9
Combined Ratio	999.9	999.9	-99.9	-99.9	999.9	999.9
Reserve Development Ratio Impact	999.9	999.9	-99.9	-99.9	999.9	999.9
Net Investment Yield	2.9	2.6	2.3	2.1	2.3	2.4
Pre-Tax Operating Return on Net Earned Premiums	-99.9	-99.9	-99.9	999.9	999.9	999.9
Net Income Return on Policyholders' Surplus	2.6	2.4	1.7	2.3	1.8	2.2
Total Return on Policyholders' Surplus	2.6	2.4	1.7	2.3	1.8	2.2

Source: BestLink® - Best's Financial Suite

	Year End - December 31					Weighted 5-Year Average
Operating and Financial Performance Ratios (%)	2024	2023	2022	2021	2020	
Workers' Compensation Composite						
Calendar Year Loss and LAE Ratio	64.6	65.2	67.2	67.5	68.2	66.5
Expense and Policyholder Dividend Ratio	36.4	35.3	34.9	35.9	34.3	35.4
Combined Ratio	101.0	100.5	102.1	103.4	102.5	101.9
Reserve Development Ratio Impact	-10.1	-12.8	-10.8	-13.1	-14.3	-12.2
Net Investment Yield	3.5	3.6	2.7	2.5	2.7	3.0
Pre-Tax Operating Return on Net Earned Premiums	19.1	18.8	14.0	11.9	11.5	15.2
Net Income Return on Policyholders' Surplus	6.6	5.7	4.4	6.2	5.6	5.7
Total Return on Policyholders' Surplus	8.4	8.1	-0.8	9.6	6.8	6.4

Source: BestLink® - Best's Financial Suite

Operating Performance Highlights

	Year End - December 31				
	2024	2023	2022	2021	2020
By Line - Net Loss Ratio (%)					
All Other	999.9	999.9	-99.9	-99.9	999.9
Total	999.9	999.9	-99.9	-99.9	999.9

Source: BestLink® - Best's Financial Suite

	Year End - December 31				
	2024	2023	2022	2021	2020
Geographic - Direct Loss Ratio (%)					
California	69.2	28.8	27.0	-23.8	69.2
Illinois	-99.9	62.3	32.2	93.1	-99.9
New York	-31.5	-99.9	5.4	174.5	-99.9
New Jersey	-99.9	50.3	24.8	-99.9	46.7
Pennsylvania	-99.9	-99.9	45.8	129.9	113.7
Ohio	-99.9	166.2	-82.6	40.4	143.8
North Carolina	124.3	40.2	68.9	116.5	-99.9
Georgia	-99.9	199.0	167.1	-99.9	117.7
Massachusetts	-70.9	-39.5	158.3	-99.9	119.3
Kentucky	369.2	-2.4	-99.9	155.6	-99.9
All Other	-53.9	44.3	52.7	5.2	-99.9
Total	0.3	27.3	36.8	10.5	-54.3

Source: BestLink® - Best's Financial Suite

Business Profile Highlights

Premium Composition and Growth	Year End - December 31					5 Year CAGR	
	2024	2023	2022	2021	2020		
	Direct Premiums Written USD (000)	23,470	10,999	16,957	12,657	13,797	...
	% Change	113.4	-35.1	34.0	-8.3	-37.2	1.3
	Reinsurance Premiums Assumed USD (000)	72	158	134	56	338	...
	% Change	-54.4	17.5	138.4	-83.3	-39.2	-33.6
	Reinsurance Premiums Ceded USD (000)	23,543	11,156	17,091	12,714	14,134	...
	% Change	111.0	-34.7	34.4	-10.0	-37.2	0.9
	Net Premiums Written USD (000)	-1	1	...	...	1	...
	% Change	-99.9	999.9	-93.9	-74.5	-99.9	50.3

Source: BestLink® - Best's Financial Suite

Historical Market Presence

	Year End - December 31				
	2024	2023	2022	2021	2020
By Line Breakdown - NPW USD (000)					
Fire	...	...	...	...	...
All Other	-1	1	...	...	1
Total	-1	1	...	...	1

Source: BestLink® - Best's Financial Suite

Business Profile Highlights

Historical Market Presence (Continued...)

By Geographic Breakdown - DPW USD (000)	Year End - December 31				
	2024	2023	2022	2021	2020
California	18,145	3,151	6,011	3,760	5,978
Illinois	892	1,283	1,242	1,225	1,012
New York	618	704	1,124	1,004	371
New Jersey	503	706	691	607	759
Pennsylvania	424	304	1,035	978	745
Ohio	316	434	298	338	224
North Carolina	298	498	708	528	273
Georgia	283	645	631	183	618
Massachusetts	279	242	436	133	269
Kentucky	260	742	601	362	506
All Other	1,452	2,289	4,182	3,540	3,041
Total	23,470	10,999	16,957	12,657	13,797
Geographic Concentration Index	0.60	...	...	...	...

Source: BestLink® - Best's Financial Suite

By Line Reserves USD (000)	Year End - December 31				
	2024	2023	2022	2021	2020
Workers Comp	3,997	5,975	6,300	...	...
Comm M.P.	5	1	15	...	...
Total	4,002	5,976	6,316	...	...

Source: BestLink® - Best's Financial Suite

A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. The ratings are not assigned to specific insurance policies or contracts and do not address any other risk, including, but not limited to, an insurer's claims-payment policies or procedures; the ability of the insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. A Financial Strength Rating is not a recommendation to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an insurer, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser.

A Best's Issue/Issuer Credit Rating is an opinion regarding the relative future credit risk of an entity, a credit commitment or a debt or debt-like security.

Credit risk is the risk that an entity may not meet its contractual, financial obligations as they come due. These credit ratings do not address any other risk, including but not limited to liquidity risk, market value risk or price volatility of rated securities. The rating is not a recommendation to buy, sell or hold any securities, insurance policies, contracts or any other financial obligations, nor does it address the suitability of any particular financial obligation for a specific purpose or purchaser.

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