



UNOFFICIAL TRANSLATION

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Summary of
Consolidated Financial Results
for the fiscal year ended March 31, 2022
Supplementary Information

May 20, 2022

Sompo Holdings, Inc.

(Securities Code : 8630)

1. Overview of Consolidated Financial Results for the fiscal year ended March 31, 2022

(1) Sompo Holdings, Inc.

Overview of Consolidated Financial Results for the fiscal year ended March 31, 2022

(Yen in hundred millions)

		Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Increase (Decrease)	Rate of change
Ordinary income:	(1)	38,463	41,674	3,211	8.4
Net premiums written:	(2)	29,235	32,157	2,921	10.0
Sompo Japan Insurance, Inc.	(3)	21,414	21,587	173	0.8
Overseas consolidated subsidiaries	(4)	7,269	9,985	2,715	37.4
Life insurance premiums written	(5)	3,461	3,251	(209)	(6.1)
Ordinary profit:	(6)	2,150	3,155	1,004	46.7
Sompo Japan Insurance, Inc.	(7)	1,974	2,108	133	6.8
Net income attributable to shareholders of the parent:	(8)	1,424	2,248	823	57.8
Sompo Japan Insurance Inc.	(9)	1,469	1,662	192	13.1
Overseas consolidated subsidiaries ^(Note 2)	(10)	358	388	30	8.4
Sompo Himawari Life Insurance, Inc.	(11)	200	159	(41)	(20.6)
Nursing Care & Seniors consolidated subsidiaries ^(Note 3)	(12)	56	59	2	5.2
Others and consolidation adjustment, etc. ^(Note 1, 2)	(13)	(660)	(20)	639	

Notes)

- "Others and consolidation adjustment, etc." in the above table includes profits and losses of consolidated companies other than the above and adjustments due to consolidation adjustments, etc.
- Sompo International Holdings Ltd., among overseas consolidated subsidiaries, has adopted International Financial Reporting Standards and due to differences in accounting standards, 14.7 billion yen is included in the result for the fiscal year ended March 31, 2021 and (25.5) billion yen is included in the result for the fiscal year ended March 31, 2022 as the amount to be revised in accordance with PITF No.18 "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries, etc. for Consolidated Financial Statements". The same amount is excluded in "Consolidation adjustment, etc.".
- "Nursing care and healthcare consolidated subsidiaries" has changed its name to "Nursing Care & Seniors consolidated subsidiaries" from the beginning of the fiscal year 2021.
Financial results of "Nursing Care & Seniors consolidated subsidiaries" in Fiscal year ended March 31, 2021 are figures of "Nursing care and healthcare consolidated subsidiaries".

'SOMPO HOLDINGS' numerical management targets

(Yen in hundred millions)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Increase (Decrease)	Rate of change
Adjusted consolidated profit	2,021	2,613	591	29.3

(2) Sompo Japan Insurance Inc.

Summary of Results of Operations

(Yen in hundred millions)

		Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)	Increase (Decrease)	Rate of change
Ordinary income and expenses:					%
Underwriting income and expenses: ^(Note)					
Direct premiums written	(1)	24,096	24,211	114	0.5
(+) Net premiums written	(2)	21,414	21,587	173	0.8
(-) Net claims paid	(3)	11,898	11,750	(148)	(1.2)
(-) Loss adjustment expenses	(4)	1,128	1,154	26	2.3
(-) Net operating expenses:	(5)	7,205	7,285	79	1.1
Net commissions and brokerage fees	(6)	4,148	4,230	81	2.0
Operating, general and administrative expenses related to underwriting	(7)	3,057	3,055	(2)	(0.1)
Underwriting result	(8)	1,181	1,397	215	18.3
(-) Change in reserve for outstanding losses and claims	(9)	133	276	143	107.5
(-) Change in Ordinary Underwriting Reserves	(10)	127	48	(79)	(62.1)
(-) Change in Catastrophic Loss Reserve	(11)	361	571	210	58.4
(+) Other underwriting income and expenses	(12)	103	129	25	24.9
Underwriting profit	(13)	663	630	(33)	(5.0)
Investment income and expenses:					
(+) Interest and dividend income	(14)	1,261	1,479	218	17.3
(+) Transfer of interest and dividend income on deposits of premiums, etc.	(15)	(319)	(308)	10	—
Net Interest and dividend income	(16)	941	1,170	228	24.3
(+) Gains and losses on sales of securities	(17)	648	381	(266)	(41.1)
(-) Impairment losses on securities	(18)	32	18	(14)	(45.2)
(+) Gains and losses on derivatives	(19)	(130)	(24)	106	—
(+) Other investment income and expenses	(20)	37	123	85	227.4
Gross investment margin	(21)	1,464	1,633	168	11.5
(+) Other ordinary income and expenses etc.	(22)	(153)	(155)	(1)	—
Ordinary profit	(23)	1,974	2,108	133	6.8
Extraordinary gains and losses:					
(+) Extraordinary gains	(24)	96	163	67	70.0
(-) Extraordinary losses	(25)	144	149	4	3.1
Extraordinary gains and losses	(26)	(48)	14	62	—
Net income before income taxes	(27)	1,925	2,122	196	10.2
(-) Total income taxes	(28)	455	460	4	1.0
Net income	(29)	1,469	1,662	192	13.1
Ratios:		%	%	%	
Net loss ratio	(30)	60.8	59.8	(1.1)	
Net operating expenses ratio	(31)	33.6	33.7	0.1	
Combined ratio	(32)	94.5	93.5	(1.0)	
Return on investments (income base)	(33)	2.35	2.75	0.40	
Return on investments (realized base)	(34)	3.30	3.60	0.30	

Note) Profit or losses by maturity refunds, etc. of savings-type insurance are not included in underwriting income and expenses.

Reference) Total return based on the fair value: Fiscal year ended March 31, 2021 8.11 %
Fiscal year ended March 31, 2022 2.50 %

(3) Overseas consolidated subsidiaries

Summary of Results of Major items

(Yen in hundred millions)

		Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)	Increase (Decrease)	Rate of change
Net premiums written	(1)	7,269	9,985	2,715	37.4
Net income attributable to shareholders of the parent	(2)	358	388	30	8.4
The amount to be revised due to differences in accounting standards, which is excluded on consolidation ^(Note)	(3)	(147)	255	402	—
Reference: Adjusted net income attributable to shareholders of the parent (2)+(3)	(4)	210	643	432	205.1

Note) "The amount to be revised due to differences in accounting standards, which is excluded on consolidation" is the amount stated on page 2 (Note 2).

(4) Sompo Himawari Life Insurance, Inc.

Summary of Results of Major items

(Yen in hundred millions)

		Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)	Increase (Decrease)	Rate of change
Insurance premiums and other	(1)	4,415	4,368	(46)	(1.1)
Net premiums written	(2)	3,402	3,185	(217)	(6.4)
Ordinary profit	(3)	321	264	(56)	(17.7)
Net income	(4)	200	159	(41)	(20.6)

(5) Sampo Japan Insurance Inc.

Summary of Results of Major items

(a) Direct premiums written (excluding deposits of premiums by policyholders)

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)		Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)		
	Amount	Rate of change	Amount	Increase (Decrease)	Rate of change
Fire and allied insurance	4,813	8.7 %	4,955	141	2.9 %
Marine insurance	444	(4.3)	490	46	10.5
Personal accident insurance	1,581	(7.8)	1,571	(10)	(0.7)
Voluntary automobile insurance	10,956	0.5	10,927	(29)	(0.3)
Compulsory automobile liability insurance	2,388	(17.8)	2,206	(182)	(7.6)
Others	3,912	(0.6)	4,059	147	3.8
Total	24,096	(1.1)	24,211	114	0.5
Deposits of premiums by policyholders	934	(17.8)	810	(124)	(13.4)

(b) Net premiums written

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)		Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)		
	Amount	Rate of change	Amount	Increase (Decrease)	Rate of change
Fire and allied insurance	3,063	7.4 %	3,276	212	6.9 %
Marine insurance	405	(13.5)	468	62	15.4
Personal accident insurance	1,521	(8.9)	1,516	(4)	(0.3)
Voluntary automobile insurance	10,898	0.5	10,877	(20)	(0.2)
Compulsory automobile liability insurance	2,376	(15.3)	2,168	(208)	(8.8)
Others	3,148	(1.8)	3,280	131	4.2
Total	21,414	(2.0)	21,587	173	0.8
Excluding earthquake insurance and compulsory automobile liability insurance	19,034	(0.0)	19,417	382	2.0

(c) Net claims paid

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)		Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)			
	Amount	Net loss ratio	Amount	Increase (Decrease)	Net loss ratio	Increase (Decrease)
Fire and allied insurance	2,143	72.1 %	2,161	17	68.6 %	(3.6) %
Marine insurance	249	64.4	230	(19)	51.7	(12.7)
Personal accident insurance	710	50.8	696	(14)	50.1	(0.7)
Voluntary automobile insurance	5,321	55.5	5,363	41	56.0	0.5
Compulsory automobile liability insurance	1,752	80.4	1,587	(165)	80.2	(0.2)
Others	1,720	57.9	1,712	(8)	55.5	(2.4)
Total	11,898	60.8	11,750	(148)	59.8	(1.1)
Excluding earthquake insurance and compulsory automobile liability insurance	10,145	58.4	10,141	(4)	57.4	(1.0)

(d) Net Incurred Loss during the period due to Natural Disasters in Japan

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)			Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)		
	Net claims paid	Reserve for outstanding losses and claims	Net incurred loss	Net claims paid	Reserve for outstanding losses and claims	Net incurred loss
Fire and allied insurance	488	436	925	225	475	700
Voluntary automobile insurance	31	(0)	30	17	1	18
Other than the above	18	18	36	12	12	25
Total excluding earthquake insurance and compulsory automobile liability insurance	538	454	993	255	489	744

Note) Net incurred loss = Net claims paid + Reserve for outstanding losses and claims

Reserve for outstanding losses and claims represents amounts deducting reinsurance recoverable on unpaid loss from reserve for outstanding losses and claims of direct insurance and assumed reinsurance.

(e) Breakdown of Operating, General and Administrative Expenses and Loss Adjustment Expenses

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2021			Fiscal year ended March 31, 2022		
	Amount	Increase (Decrease)	Rate of change	Amount	Increase (Decrease)	Rate of change
Personnel expenses	2,169	(106)	(4.7)%	2,090	(79)	(3.7)%
Non-personnel expenses	1,983	112	6.0	2,103	120	6.1
Others (taxes and contributions)	189	8	4.6	200	10	5.7
Total	4,342	14	0.3	4,394	51	1.2

(f) Reserve for Outstanding Losses and Claims

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2021		Fiscal year ended March 31, 2022	
	Balance	Change	Balance	Change
Fire and allied insurance	1,424	337	1,548	124
Marine insurance	214	(10)	231	16
Personal accident insurance	448	(90)	470	21
Voluntary automobile insurance	3,711	(70)	3,692	(18)
Compulsory automobile liability insurance	626	(62)	622	(3)
Others	2,299	29	2,435	136
Total	8,724	133	9,001	276

(g) Ordinary Underwriting Reserves

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2021		Fiscal year ended March 31, 2022	
	Balance	Change	Balance	Change
Fire and allied insurance	7,752	149	7,840	88
Marine insurance	199	(15)	222	22
Personal accident insurance	1,273	(0)	1,281	7
Voluntary automobile insurance	3,203	9	3,173	(30)
Compulsory automobile liability insurance	4,620	(9)	4,595	(25)
Others	3,460	(6)	3,446	(14)
Total	20,511	127	20,559	48

Note) This table excludes reserve for maturity refunds and reserve for dividends to policyholders of savings-type insurance and includes underwriting reserves of earthquake insurance and compulsory automobile liability insurance.

(h) Catastrophic Loss Reserve

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2021				Fiscal year ended March 31, 2022			
	Reversal	Provision	Balance	Balance ratio	Reversal	Provision	Balance	Balance ratio
Fire and allied insurance	585	552	1,036	33.9%	475	585	1,146	35.0%
Marine insurance	12	12	440	108.6	—	14	455	97.2
Personal accident insurance	—	48	763	50.2	—	48	812	53.6
Voluntary automobile insurance	—	353	710	6.5	—	352	1,063	9.8
Others	112	103	1,987	63.1	61	107	2,034	62.0
Total	709	1,071	4,940	26.0	537	1,109	5,512	28.4

Note) Balance ratio = Balance of catastrophic loss reserve / Net premiums written (excluding earthquake insurance and compulsory automobile liability insurance) × 100

2. Forecasts for the fiscal year ending March 31, 2023 (April 1, 2022 to March 31, 2023)

Sompo Holdings, Inc. (Consolidated)

(Yen in hundred millions)

	Fiscal year ended March 31, 2022 Result	Fiscal year ending March 31, 2023 Forecast	Increase (Decrease)	Rate of change
				%
Net premiums written	32,157	34,410	2,252	7.0
Life insurance premiums written	3,251	3,270	18	0.6
Ordinary profit	3,155	2,350	(805)	(25.5)
Net income attributable to shareholders of the parent:	2,248	1,600	(648)	(28.8)
Sompo Japan Insurance Inc.	1,662	1,450	(212)	(12.8)
Overseas consolidated subsidiaries	388	952	564	145.5
Sompo Himawari Life Insurance, Inc.	159	105	(54)	(34.0)
Nursing Care & Seniors consolidated subsidiaries	59	55	(3)	(6.4)
Others and consolidation adjustment, etc. ^(Note)	(20)	(963)	(943)	—

Note)

"Others and consolidation adjustment, etc." in the above table includes profits and losses of consolidated companies other than the above and adjustments due to consolidation adjustments, etc.

SOMPO HOLDINGS' numerical management targets and dividends

(Yen in hundred millions)

	Fiscal year ended March 31, 2022 Result	Fiscal year ending March 31, 2023 Forecast	Increase (Decrease)	Rate of change
				%
Adjusted consolidated profit	2,613	2,600	(13)	(0.5)
Dividends per share (annual)	210 yen	260 yen	50 yen	—
Interim Dividends pre share	105 yen	130 yen	25 yen	—
Year-end Dividends per share	105 yen	130 yen	25 yen	—

Sompo Japan Insurance Inc. (Non-consolidated)

(Yen in hundred millions)

	Fiscal year ended March 31, 2022 Result	Fiscal year ending March 31, 2023 Forecast	Increase (Decrease)	Rate of change
				%
Net premiums written	21,587	22,040	452	2.1
(Excluding earthquake insurance and compulsory automobile liability insurance)	19,417	19,876	459	2.4
Net loss ratio	59.8	61.3	1.5	—
(Excluding earthquake insurance and compulsory automobile liability insurance)	57.4	59.1	1.7	—
Net operating expenses ratio	33.7	33.8	0.0	—
(Excluding earthquake insurance and compulsory automobile liability insurance)	34.5	34.4	(0.0)	—
Combined ratio	93.5	95.0	1.5	—
(Excluding earthquake insurance and compulsory automobile liability insurance)	91.9	93.5	1.6	—
Underwriting profit	630	790	159	25.3
Gross investment margin	1,633	1,267	(365)	(22.4)
Ordinary profit	2,108	1,875	(233)	(11.1)
Net income	1,662	1,450	(212)	(12.8)

3. Overview of Business Results of Principal Consolidated Subsidiaries

Sampo Japan Insurance Inc. (Non-consolidated)

Balance Sheet

	As of March 31, 2021	As of March 31, 2022	(Millions of yen) Increase (Decrease)
	Amount	Amount	
Assets:			
Cash and deposits:	524,711	477,918	(46,793)
Cash	6	9	2
Deposits	524,705	477,909	(46,796)
Receivables under resale agreements	59,999	73,999	14,000
Monetary receivables bought	21,700	20,104	(1,595)
Money trusts	27,566	20,683	(6,883)
Securities:	5,127,170	5,259,488	132,318
Government bonds	688,810	678,580	(10,229)
Municipal bonds	5,865	5,720	(145)
Corporate bonds	666,751	625,139	(41,612)
Domestic stocks	1,346,490	1,308,357	(38,133)
Foreign securities	2,267,968	2,426,435	158,466
Other securities	151,282	215,255	63,972
Loans:	636,618	519,703	(116,915)
Policy loans	4,966	3,978	(987)
Ordinary loans	631,652	515,724	(115,927)
Tangible fixed assets:	238,916	227,274	(11,641)
Land	91,407	84,917	(6,489)
Buildings	115,629	104,824	(10,805)
Leased assets	2,835	2,371	(464)
Construction in progress	2,124	9,675	7,550
Other tangible fixed assets	26,918	25,486	(1,432)
Intangible fixed assets:	188,576	209,721	21,145
Software	105,388	94,972	(10,415)
Other intangible fixed assets	83,188	114,749	31,561
Other assets:	573,319	543,748	(29,570)
Premiums receivable	1,326	1,630	303
Agency accounts receivable	180,163	190,101	9,938
Foreign agency accounts receivable	25,978	13,682	(12,296)
Coinsurance accounts receivable	16,284	14,105	(2,178)
Reinsurance accounts receivable	110,676	71,448	(39,227)
Foreign reinsurance accounts receivable	65,195	36,890	(28,304)
Proxy service receivable	151	49	(101)
Accounts receivable	46,574	69,667	23,093
Accrued income	8,181	8,145	(36)
Advance deposits	15,201	14,952	(249)
Earthquake insurance deposits	4,681	2,842	(1,839)
Suspense payments	71,138	64,901	(6,236)
Deposits paid for future transactions	7,875	8,034	159
Derivative liabilities	6,287	5,113	(1,173)
Cash collateral paid for financial instruments	13,594	42,174	28,580
Other assets	7	7	—
Prepaid pension cost	303	—	(303)
Deferred tax assets	—	22,481	22,481
Allowance for possible credit losses	(3,006)	(2,751)	254
Allowance for possible investment losses	(6,198)	(5,689)	509
Total assets	7,389,677	7,366,684	(22,993)

Sompo Japan Insurance Inc. (Non-consolidated)

Balance Sheet

	(Millions of yen)		
	As of March 31, 2021	As of March 31, 2022	Increase (Decrease)
	Amount	Amount	
Liabilities:			
Underwriting funds:	4,557,828	4,557,431	(396)
Reserve for outstanding losses and claims	872,465	900,122	27,657
Underwriting reserves	3,685,362	3,657,309	(28,053)
Corporate bonds	433,560	433,560	—
Other liabilities:	715,115	700,176	(14,939)
Coinsurance accounts payable	6,024	5,800	(223)
Reinsurance accounts payable	75,005	70,308	(4,697)
Foreign reinsurance accounts payable	23,014	22,539	(474)
Payables under securities lending transactions	155,831	156,505	673
Borrowings	45,810	15,358	(30,451)
Income taxes payable	58,298	8,535	(49,762)
Deposits received	2,903	2,796	(106)
Unearned income	308	297	(11)
Accounts payable	196,486	230,272	33,785
Suspense receipts	90,686	94,315	3,628
Derivative liabilities	26,397	49,831	23,434
Cash collateral received for financial instruments	28,733	38,702	9,969
Lease obligations	3,492	2,745	(747)
Asset retirement obligations	2,121	2,165	44
Reserve for retirement benefits	89,608	85,576	(4,031)
Reserve for bonus payments	16,315	15,719	(595)
Reserve for bonus payments to directors	115	117	1
Reserves under the special laws:	91,097	95,331	4,233
Reserve for price fluctuation	91,097	95,331	4,233
Deferred tax liabilities	11,434	—	(11,434)
Total liabilities	5,915,075	5,887,913	(27,162)
Net assets:			
Shareholders' equity:			
Common stock	70,000	70,000	—
Capital surplus:	70,000	70,000	—
Capital reserves	70,000	70,000	—
Retained earnings:	502,291	529,398	27,107
Other retained earnings:	502,291	529,398	27,107
Reserve for advanced depreciation	10,963	10,590	(373)
General reserve	83,300	83,300	—
Retained earnings carried forward	408,027	435,508	27,481
Total shareholders' equity	642,291	669,398	27,107
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	827,905	805,943	(21,961)
Deferred gains and losses on hedges	4,406	3,429	(977)
Total valuation and translation adjustments	832,311	809,372	(22,939)
Total net assets	1,474,602	1,478,770	4,168
Total liabilities and net assets	7,389,677	7,366,684	(22,993)

Sompo Japan Insurance Inc. (Non-consolidated)

Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)	Increase (Decrease)	Rate of change
	Amount	Amount		
Ordinary income:	2,486,893	2,490,458	3,564	0.1
Underwriting income:	2,301,534	2,300,385	(1,148)	(0.0)
Net premiums written	2,141,433	2,158,791	17,357	0.8
Deposits of premiums by policyholders	93,496	81,009	(12,486)	(13.4)
Interest and dividend income on deposits of premiums, etc.	31,987	30,895	(1,091)	(3.4)
Reversal of underwriting reserves	33,237	28,053	(5,184)	(15.6)
Foreign exchange gains	427	893	465	109.0
Other underwriting income	951	742	(209)	(22.0)
Investment income:	172,705	175,824	3,119	1.8
Interest and dividend income	126,178	147,980	21,801	17.3
Investment gains on money trusts	5,046	1,353	(3,693)	(73.2)
Gains on sales of securities	65,724	42,554	(23,170)	(35.3)
Gains on redemption of securities	2,977	4,580	1,603	53.9
Foreign exchange gains	4,556	9,990	5,433	119.2
Other investment income	208	261	52	25.2
Transfer of interest and dividend income on deposits of premiums, etc.	(31,987)	(30,895)	1,091	—
Other ordinary income	12,654	14,248	1,594	12.6
Ordinary expenses:	2,289,461	2,279,648	(9,813)	(0.4)
Underwriting expenses:	1,929,500	1,933,287	3,787	0.2
Net claims paid	1,189,878	1,175,024	(14,854)	(1.2)
Loss adjustment expenses	112,817	115,456	2,639	2.3
Net commissions and brokerage fees	414,829	423,007	8,177	2.0
Maturity refunds to policyholders	196,812	190,527	(6,285)	(3.2)
Dividends to policyholders	65	28	(36)	(56.0)
Provision for reserve for outstanding losses and claims	13,330	27,657	14,326	107.5
Other underwriting expenses	1,765	1,585	(180)	(10.2)
Investment expenses:	26,297	12,523	(13,773)	(52.4)
Investment losses on money trusts	11	45	34	311.2
Losses on sales of securities	886	4,390	3,503	395.4
Impairment losses on securities	3,292	1,805	(1,487)	(45.2)
Losses on redemption of securities	460	—	(460)	(100.0)
Losses on derivatives	13,096	2,476	(10,620)	(81.1)
Other investment expenses	8,549	3,806	(4,743)	(55.5)
Operating, general and administrative expenses	321,415	323,947	2,532	0.8
Other ordinary expenses:	12,248	9,889	(2,358)	(19.3)
Interest paid	7,065	7,016	(49)	(0.7)
Provision for allowance for possible credit losses	106	—	(106)	(100.0)
Losses on bad debt	11	19	7	66.0
Other ordinary expenses	5,065	2,854	(2,210)	(43.6)
Ordinary profit	197,432	210,810	13,377	6.8

Sompo Japan Insurance Inc. (Non-consolidated)

Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)	Increase (Decrease)	Rate of change
	Amount	Amount		
Extraordinary gains:	9,611	16,336	6,724	70.0
Gains on disposal of fixed assets	9,611	16,336	6,724	70.0
Extraordinary losses:	14,458	14,906	448	3.1
Losses on disposal of fixed assets	2,100	6,097	3,996	190.3
Impairment losses	7,404	4,575	(2,829)	(38.2)
Provision for reserves under the special laws:	3,980	4,233	252	6.4
Provision for reserve for price fluctuation	3,980	4,233	252	6.4
Other extraordinary losses	972	—	(972)	(100.0)
Net income before income taxes	192,585	212,239	19,654	10.2
Income taxes	75,076	71,889	(3,186)	(4.2)
Deferred income taxes	(29,486)	(25,857)	3,628	—
Total income taxes	45,590	46,031	441	1.0
Net income	146,994	166,207	19,212	13.1
Underwriting result:				
Net premiums written (+)	2,141,433	2,158,791	17,357	0.8
Net claims paid (—)	1,189,878	1,175,024	(14,854)	(1.2)
Loss adjustment expenses (—)	112,817	115,456	2,639	2.3
Net operating expenses: (—)	720,583	728,559	7,975	1.1
Net commissions and brokerage fees	414,829	423,007	8,177	2.0
Operating, general and administrative expenses related to underwriting	305,754	305,552	(201)	(0.1)
Underwriting result	118,153	139,749	21,595	18.3
Underwriting profit	66,368	63,053	(3,315)	(5.0)
Ratios:				
Net loss ratio (%)	60.8	59.8	(1.1)	
Net operating expenses ratio (%)	33.6	33.7	0.1	
Combined ratio (%)	94.5	93.5	(1.0)	

Sompo Japan Insurance Inc. (Non-consolidated)

Premiums Written and Claims Paid by Business Lines

Direct premiums written (excluding deposits of premiums by policyholders)

(Millions of yen)

Business line	Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)			Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	481,352	20.0	8.7	495,532	20.5	2.9
Marine insurance	44,422	1.8	(4.3)	49,065	2.0	10.5
Personal accident insurance	158,194	6.6	(7.8)	157,135	6.5	(0.7)
Voluntary automobile insurance	1,095,674	45.5	0.5	1,092,765	45.1	(0.3)
Compulsory automobile liability insurance	238,823	9.9	(17.8)	220,617	9.1	(7.6)
Others	391,212	16.2	(0.6)	405,994	16.8	3.8
Total	2,409,679	100.0	(1.1)	2,421,111	100.0	0.5
Deposits of premiums by policyholders	93,496	—	(17.8)	81,009	—	(13.4)

Net premiums written

(Millions of yen)

Business line	Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)			Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	306,377	14.3	7.4	327,642	15.2	6.9
Marine insurance	40,586	1.9	(13.5)	46,841	2.2	15.4
Personal accident insurance	152,134	7.1	(8.9)	151,689	7.0	(0.3)
Voluntary automobile insurance	1,089,806	50.9	0.5	1,087,749	50.4	(0.2)
Compulsory automobile liability insurance	237,645	11.1	(15.3)	216,834	10.0	(8.8)
Others	314,883	14.7	(1.8)	328,033	15.2	4.2
Total	2,141,433	100.0	(2.0)	2,158,791	100.0	0.8

Net claims paid

(Millions of yen)

Business line	Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)			Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)		
	Amount	Rate of change	Net loss ratio	Amount	Rate of change	Net loss ratio
Fire and allied insurance	214,381	(8.2)	72.1	216,125	0.8	68.6
Marine insurance	24,943	(12.3)	64.4	23,013	(7.7)	51.7
Personal accident insurance	71,062	(16.5)	50.8	69,608	(2.0)	50.1
Voluntary automobile insurance	532,150	(8.9)	55.5	536,313	0.8	56.0
Compulsory automobile liability insurance	175,297	(8.7)	80.4	158,732	(9.4)	80.2
Others	172,043	(3.9)	57.9	171,232	(0.5)	55.5
Total	1,189,878	(8.6)	60.8	1,175,024	(1.2)	59.8

Sompo Japan Insurance Inc. (Non-consolidated)

Non-consolidated Solvency Margin Ratio

	(Millions of yen)	
	As of March 31, 2021	As of March 31, 2022
(A) Total Non-consolidated Solvency Margin	2,981,500	3,042,067
Capital and funds, etc.	642,291	669,398
Reserve for price fluctuation	91,097	95,331
Contingency reserve	1,693	2,475
Catastrophic loss reserve	497,543	554,520
General allowance for possible credit losses	138	132
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	1,019,668	988,227
Unrealized gains and losses on land	139,670	132,656
Excess amount of reserve for maturity refunds	—	—
Subordinated debt, etc.	433,560	433,560
Excess amount of reserve for maturity refunds and subordinated debt, etc. which are excluded from total solvency margin	—	—
Deductions	46,647	46,381
Others	202,484	212,146
(B) Total Non-consolidated Risks	847,602	872,214
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
Underwriting risk (R_1)	192,158	196,903
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R_2)	—	—
Guaranteed interest rate risk (R_3)	15,501	13,946
Investment risk (R_4)	611,108	623,096
Business management risk (R_5)	19,822	20,380
Major catastrophe risk (R_6)	172,367	185,055
(C) Non-consolidated Solvency Margin Ratio	703.5 %	697.5 %
$[(A) / \{(B) \times 1/2\}] \times 100$		

Note) The above amounts and figures are calculated based on provisions of Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Act and Public Notice No. 50 of the Ministry of Finance (1996).

SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED (Non-consolidated)

Balance Sheet

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022	Increase (Decrease)
	Amount	Amount	
Assets:			
Cash and deposits:	28,821	20,757	(8,063)
Cash	0	0	0
Deposits	28,821	20,757	(8,063)
Securities:	36,689	46,865	10,175
Government bonds	907	—	(907)
Municipal bonds	9,068	6,699	(2,369)
Corporate bonds	12,796	21,218	8,422
Domestic stocks	42	38	(4)
Foreign securities	5,962	7,927	1,965
Other securities	7,912	10,981	3,069
Tangible fixed assets:	509	403	(105)
Buildings	114	105	(8)
Leased assets	332	243	(88)
Other tangible fixed assets	63	54	(8)
Intangible fixed assets:	3,882	5,715	1,832
Software	3,879	5,712	1,833
Other intangible fixed assets	3	2	(0)
Other assets:	5,850	5,943	93
Premiums receivable	1,552	1,830	278
Agency accounts receivable	198	103	(95)
Coinsurance accounts receivable	12	9	(2)
Reinsurance accounts receivable	183	90	(92)
Foreign reinsurance accounts receivable	31	23	(7)
Accounts receivable	797	936	139
Accrued income	29	38	9
Advance deposits	506	481	(25)
Suspense payments	2,539	2,428	(110)
Deferred tax assets	1,282	1,744	461
Allowance for possible credit losses	(101)	(0)	101
Total assets	76,934	81,430	4,495

SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED (Non-consolidated)

Balance Sheet

	(Millions of yen)		
	As of March 31, 2021	As of March 31, 2022	Increase (Decrease)
	Amount	Amount	
Liabilities:			
Underwriting funds:	54,965	57,382	2,416
Reserve for outstanding losses and claims	21,029	22,115	1,085
Underwriting reserves	33,935	35,266	1,331
Other liabilities:	5,427	5,641	214
Coinsurance accounts payable	35	36	0
Reinsurance accounts payable	194	214	20
Foreign reinsurance accounts payable	85	74	(11)
Income taxes payable	214	406	192
Deposits received	32	32	0
Accounts payable	1,976	1,798	(178)
Suspense receipts	2,549	2,826	276
Lease obligations	338	252	(85)
Reserve for retirement benefits to directors	27	9	(17)
Reserve for bonus payments	474	410	(63)
Reserve for bonus payments to directors	28	15	(12)
Reserves under the special laws:	69	87	18
Reserve for price fluctuation	69	87	18
Total liabilities	60,992	63,547	2,555
Net assets:			
Shareholders' equity:			
Common stock	32,260	32,260	—
Capital surplus:	40,692	40,692	—
Capital reserves	30,497	30,497	—
Other capital surplus	10,194	10,194	—
Retained earnings:	(57,754)	(55,321)	2,433
Other retained earnings:	(57,754)	(55,321)	2,433
Retained earnings carried forward	(57,754)	(55,321)	2,433
Total shareholders' equity	15,198	17,631	2,433
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	744	250	(493)
Total valuation and translation adjustments	744	250	(493)
Total net assets	15,942	17,882	1,939
Total liabilities and net assets	76,934	81,430	4,495

SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED (Non-consolidated)

Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)	Increase (Decrease)	Rate of change
	Amount	Amount		
Ordinary income:	55,270	58,636	3,366	6.1
Underwriting income:	55,122	58,234	3,112	5.6
Net premiums written	55,078	58,185	3,107	5.6
Interest and dividend income on deposits of premiums, etc.	43	48	4	10.9
Investment income:	135	271	136	101.1
Interest and dividend income	175	283	108	62.1
Gains on sales of securities	0	23	22	2,332.4
Gains on redemption of securities	3	—	(3)	(100.0)
Other investment income	—	12	12	—
Transfer of interest and dividend income on deposits of premiums, etc.	(43)	(48)	(4)	—
Other ordinary income	13	130	117	888.1
Ordinary expenses:	55,048	56,215	1,167	2.1
Underwriting expenses:	39,805	41,114	1,309	3.3
Net claims paid	31,597	33,260	1,662	5.3
Loss adjustment expenses	4,239	4,239	(0)	(0.0)
Net commissions and brokerage fees	1,145	1,189	44	3.9
Provision for reserve for outstanding losses and claims	1,419	1,085	(333)	(23.5)
Provision for underwriting reserves	1,393	1,331	(62)	(4.5)
Foreign exchange losses	0	0	0	56.5
Other underwriting expenses	9	8	(1)	(12.1)
Investment expenses:	8	0	(7)	(92.8)
Losses on sales of securities	4	0	(3)	(86.4)
Other investment expenses	3	—	(3)	(100.0)
Operating, general and administrative expenses	15,171	15,008	(162)	(1.1)
Other ordinary expenses:	63	91	28	45.2
Interest paid	6	5	(0)	(9.8)
Provision for allowance for possible credit losses	18	—	(18)	(100.0)
Losses on bad debt	0	—	(0)	(100.0)
Other ordinary expenses	38	85	47	124.6
Ordinary profit	222	2,421	2,199	989.3
Extraordinary gains:	1	—	(1)	(100.0)
Gains on disposal of fixed assets	1	—	(1)	(100.0)
Extraordinary losses:	84	33	(50)	(60.1)
Losses on disposal of fixed assets	71	15	(56)	(79.1)
Impairment losses	—	0	0	—
Provision for reserves under the special laws:	12	18	5	46.8
Provision for reserve for price fluctuation	12	18	5	46.8
Net income before income taxes	139	2,387	2,247	1,608.5
Income taxes	75	296	220	294.2
Deferred income taxes	(1,568)	(341)	1,226	—
Total income taxes	(1,493)	(45)	1,447	—
Net income	1,633	2,433	800	49.0
Underwriting result:				
Net premiums written (+)	55,078	58,185	3,107	5.6
Net claims paid (—)	31,597	33,260	1,662	5.3
Loss adjustment expenses (—)	4,239	4,239	(0)	(0.0)
Net operating expenses:	16,285	16,160	(125)	(0.8)
Net commissions and brokerage fees	1,145	1,189	44	3.9
Operating, general and administrative expenses related to underwriting	15,140	14,970	(169)	(1.1)
Underwriting result	2,955	4,526	1,570	53.1
Underwriting profit	197	2,168	1,971	998.2
Ratios:				
Net loss ratio (%)	65.1	64.4	(0.6)	
Net operating expenses ratio (%)	29.6	27.8	(1.8)	
Combined ratio (%)	94.6	92.2	(2.4)	

SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED (Non-consolidated)

Non-consolidated Solvency Margin Ratio

	(Millions of yen)	
	As of March 31, 2021	As of March 31, 2022
(A) Total Non-consolidated Solvency Margin	19,668	21,775
Capital and funds, etc.	15,198	17,631
Reserve for price fluctuation	69	87
Contingency reserve	11	11
Catastrophic loss reserve	3,461	3,669
General allowance for possible credit losses	—	—
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	926	374
Unrealized gains and losses on land	—	—
Excess amount of reserve for maturity refunds	—	—
Subordinated debt, etc.	—	—
Excess amount of reserve for maturity refunds and subordinated debt, etc. which are excluded from total solvency margin	—	—
Deductions	—	—
Others	—	—
(B) Total Non-consolidated Risks	8,582	8,841
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
Underwriting risk (R_1)	6,833	7,011
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R_2)	—	—
Guaranteed interest rate risk (R_3)	16	15
Investment risk (R_4)	1,434	1,763
Business management risk (R_5)	287	302
Major catastrophe risk (R_6)	1,308	1,304
(C) Non-consolidated Solvency Margin Ratio [(A) / {(B) × 1/2}] × 100	458.3 %	492.5 %

Note) The above amounts and figures are calculated based on provisions of Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Act and Public Notice No. 50 of the Ministry of Finance (1996).

Sampo Himawari Life Insurance, Inc. (Non-consolidated)

Balance Sheet

	As of March 31, 2021	As of March 31, 2022	(Millions of yen) Increase (Decrease)
	Amount	Amount	
Assets:			
Cash and deposits:	178,483	137,951	(40,532)
Deposits	178,483	137,951	(40,532)
Securities:	3,260,451	3,476,978	216,526
Government bonds	2,142,389	2,371,793	229,403
Municipal bonds	67,662	57,515	(10,146)
Corporate bonds	460,381	420,802	(39,579)
Domestic stocks	10,132	9,858	(273)
Foreign securities	578,222	611,887	33,665
Other securities	1,662	5,120	3,458
Loans:	41,985	41,428	(556)
Policy loans	41,980	41,425	(554)
Ordinary loans	4	3	(1)
Tangible fixed assets:	1,540	2,219	678
Buildings	444	432	(12)
Leased assets	630	1,389	758
Other tangible fixed assets	465	396	(68)
Intangible fixed assets:	—	1,234	1,234
Other intangible fixed assets	—	1,234	1,234
Agency accounts receivable	93	99	5
Reinsurance accounts receivable	1,284	1,599	315
Other assets:	54,897	54,377	(519)
Accounts receivable	39,494	35,899	(3,595)
Prepaid expenses	2,369	3,672	1,302
Accrued income	8,788	9,276	487
Advance deposits	2,496	2,462	(34)
Derivative assets	117	18	(99)
Cash collateral paid for financial instruments	1,000	2,310	1,310
Suspense payments	540	655	114
Other assets	89	85	(4)
Deferred tax assets	13,804	22,434	8,630
Allowance for possible credit losses	(76)	(76)	0
Total assets	3,552,464	3,738,246	185,782

Sompo Himawari Life Insurance, Inc. (Non-consolidated)

Balance Sheet

(Millions of yen)			
	As of March 31, 2021	As of March 31, 2022	Increase (Decrease)
	Amount	Amount	
Liabilities:			
Policy reserves:	3,143,577	3,290,913	147,335
Reserve for outstanding claims	39,293	40,896	1,602
Policy reserves	3,099,850	3,245,593	145,742
Reserve for dividends to policyholders	4,433	4,423	(9)
Agency accounts payable	4,215	5,663	1,448
Reinsurance accounts payable	814	990	175
Other liabilities:	221,891	280,038	58,147
Payables under securities lending transactions	181,229	228,854	47,624
Income taxes payable	4,934	109	(4,825)
Accounts payable	11,788	17,493	5,705
Accrued expenses	6,195	7,747	1,551
Deposits received	122	125	2
Derivative liabilities	15,949	23,578	7,628
Lease obligations	735	1,577	841
Suspense receipts	936	553	(382)
Reserve for bonus payments to directors	37	38	1
Reserve for retirement benefits	4,581	4,971	389
Reserve for possible reimbursement of prescribed claims	1,041	936	(104)
Reserves under the special laws:	9,045	9,969	924
Reserve for price fluctuation	9,045	9,969	924
Total liabilities	3,385,204	3,593,521	208,317
Net assets:			
Shareholders' equity:			
Common stock	17,250	17,250	—
Capital surplus:	13,333	13,333	—
Capital reserves	13,333	13,333	—
Retained earnings:	94,052	95,477	1,424
Legal reserve	3,916	3,916	—
Other retained earnings:	90,135	91,560	1,424
Reserve under Article 10 of the Supplementary Provisions of Ordinance for Enforcement of the Insurance Business Act	325	325	—
Retained earnings carried forward	89,810	91,235	1,424
Total shareholders' equity	124,635	126,060	1,424
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	42,624	18,664	(23,959)
Total valuation and translation adjustments	42,624	18,664	(23,959)
Total net assets	167,260	144,725	(22,535)
Total liabilities and net assets	3,552,464	3,738,246	185,782

Sampo Himawari Life Insurance, Inc. (Non-consolidated)

Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)	Increase (Decrease)	Rate of change
	Amount	Amount		
Ordinary income:	503,714	493,056	(10,658)	(2.1)
Insurance premiums and other:	441,549	436,893	(4,656)	(1.1)
Insurance premiums	438,847	433,472	(5,375)	(1.2)
Reinsurance income	2,701	3,421	719	26.6
Investment income:	56,037	53,709	(2,327)	(4.2)
Interest and dividend income and other:	47,090	49,413	2,323	4.9
Interest and dividends on securities	45,754	48,027	2,272	5.0
Interest on loans	1,238	1,248	10	0.9
Other interest and dividends	97	137	39	40.7
Gains on sales of securities	3,767	1,653	(2,113)	(56.1)
Gains on redemption of securities	190	255	64	34.1
Gains on derivatives	—	464	464	—
Foreign exchange gains	48	153	104	214.9
Reversal of allowance for possible credit losses	28	—	(28)	(100.0)
Other investment income	—	2	2	—
Investment gains on special account	4,912	1,767	(3,145)	(64.0)
Other ordinary income:	6,127	2,453	(3,674)	(60.0)
Fund receipt for annuity rider	740	935	194	26.3
Fund receipt for claim deposit payments	1,519	1,509	(10)	(0.7)
Reversal of reserve for outstanding claims	3,858	—	(3,858)	(100.0)
Other ordinary income	9	8	(1)	(11.0)
Ordinary expenses:	471,585	466,611	(4,973)	(1.1)
Insurance claims and other:	195,395	215,929	20,534	10.5
Insurance claims	37,848	39,023	1,175	3.1
Annuity payments	11,208	11,834	625	5.6
Insurance benefits	47,781	50,100	2,318	4.9
Surrender benefits	90,275	107,023	16,748	18.6
Other refunds	4,989	4,254	(735)	(14.7)
Reinsurance premiums	3,291	3,693	402	12.2
Provision for policy reserves and other:	180,048	147,345	(32,702)	(18.2)
Provision for reserve for outstanding claims	—	1,602	1,602	—
Provision for policy reserves	180,047	145,742	(34,304)	(19.1)
Provision for interest portion of reserve for dividends to policyholders	0	0	0	1.8
Investment expenses:	2,554	3,461	906	35.5
Interest paid	69	59	(9)	(14.2)
Losses on sales of securities	1,966	3,261	1,294	65.8
Impairment losses on securities	8	—	(8)	(100.0)
Losses on derivatives	389	—	(389)	(100.0)
Provision for allowance for possible credit losses	—	0	0	—
Other investment expenses	120	139	19	16.1
Operating expenses	87,288	94,804	7,516	8.6
Other ordinary expenses:	6,299	5,070	(1,229)	(19.5)
Claim deposit payments	1,441	1,379	(61)	(4.2)
Taxes	2,187	2,015	(171)	(7.9)
Depreciation	493	497	3	0.8
Provision for reserve for retirement benefits	447	389	(57)	(12.9)
Other ordinary expenses	1,730	788	(942)	(54.4)
Ordinary profit	32,129	26,444	(5,684)	(17.7)
Extraordinary gains:	7	0	(6)	(89.6)
Gains on disposal of fixed assets and other	7	0	(6)	(89.6)
Extraordinary losses:	892	956	64	7.2
Losses on disposal of fixed assets and other	60	32	(28)	(47.1)
Provision for reserves under the special laws:	831	924	92	11.2
Provision for reserve for price fluctuation	831	924	92	11.2
Provision for reserve for dividends to policyholders	3,207	3,158	(48)	(1.5)
Net income before income taxes	28,036	22,329	(5,706)	(20.4)
Income taxes	8,305	5,717	(2,587)	(31.2)
Deferred income taxes	(318)	687	1,005	—
Total income taxes	7,986	6,405	(1,581)	(19.8)
Net income	20,049	15,924	(4,125)	(20.6)

Sompo Himawari Life Insurance, Inc. (Non-consolidated)

Major Business Results

Total amount of policies in force

(Number in thousands, Yen in hundred millions, %)

	As of March 31, 2021				As of March 31, 2022			
	Number		Amount		Number		Amount	
		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year
Individual insurance	4,216	101.8	235,431	100.5	4,402	104.4	233,011	99.0
Individual annuities	52	95.9	2,232	97.2	50	96.6	2,160	96.8
Group insurance	—	—	27,157	98.7	—	—	27,000	99.4
Group annuities	—	—	—	—	—	—	—	—

Note) Amounts of "Individual annuities" represent the sums of annuity fund at the beginning of annuity payment of contracts before the beginning of annuity payment and policy reserves for the contracts after the beginning of annuity payment.

Total amount of new policies

(Number in thousands, Yen in hundred millions, %)

	Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)				Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)			
	Number		Amount		Number		Amount	
		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year
Individual insurance	274	104.1	21,410	86.5	403	147.0	19,244	89.9
Individual annuities	—	—	—	—	—	—	—	—
Group insurance	—	—	577	406.1	—	—	239	41.5
Group annuities	—	—	—	—	—	—	—	—

Note) Amounts of "Individual annuities" represent amounts of annuity fund at the beginning of annuity payment.

Annualized premiums

Policies in force

(Millions of yen, %)

	As of March 31, 2021		As of March 31, 2022	
		% of previous fiscal year		% of previous fiscal year
Individual insurance	365,878	100.6	367,324	100.4
Individual annuities	15,382	98.3	15,328	99.6
Total	381,260	100.5	382,652	100.4
Medical and survival benefits	161,515	104.7	173,730	107.6

New policies

(Millions of yen, %)

	Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)		Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)	
		% of previous fiscal year		% of previous fiscal year
Individual insurance	26,854	107.3	31,927	118.9
Individual annuities	—	—	—	—
Total	26,854	107.3	31,927	118.9
Medical and survival benefits	14,956	112.0	21,063	140.8

Notes)

- Annualized premiums are calculated by using multipliers for various premium payment terms to the premium per payment. In single premium contracts, the amount is calculated by dividing the premium by the duration of the policy.
- Annualized premiums for medical and survival benefits include (a) premium related to medical benefits such as hospitalization and surgery benefits, (b) premium related to survival benefits such as specific illness and nursing benefits, and (c) premium related to premium waiver benefits, in which disability cause is excluded but causes such as specific illness and nursing care are included.

Sampo Himawari Life Insurance, Inc. (Non-consolidated)

Non-consolidated Solvency Margin Ratio

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
(A) Total Non-consolidated Solvency Margin	422,651	389,628
Capital, etc.	124,635	126,060
Reserve for price fluctuation	9,045	9,969
Contingency reserve	33,301	33,462
General allowance for possible credit losses	2	2
Unrealized gains and losses on securities (before tax effect deductions) (90% of gain or 100% of loss), deferred gains and losses on hedges (before tax effect deductions) (90% of gain or 100% of loss)	53,280	23,330
Unrealized gains and losses on land (85% of gain or 100% of loss)	—	—
Excess amount of continued Zillmerized reserve	172,210	161,014
Subordinated debt, etc.	—	—
Excess amount of continued Zillmerized reserve and subordinated debt, etc. which are excluded from total solvency margin	(5,052)	—
Brought in capital, etc.	—	—
Deductions	—	—
Others	35,228	35,787
(B) Total Non-consolidated Risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	57,881	57,302
Underwriting risk (R_1)	14,399	14,226
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R_8)	11,266	11,935
Guaranteed interest rate risk (R_2)	8,460	8,427
Guaranteed minimum benefit risk (R_7)	396	400
Investment risk (R_3)	41,324	40,451
Business management risk (R_4)	1,516	1,508
(C) Non-consolidated Solvency Margin Ratio [(A) / {(B) × 1/2}] × 100	1,460.4 %	1,359.8 %

Notes)

1. The above amounts and figures are calculated based on provisions of Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Act and Public Notice No. 50 of the Ministry of Finance (1996).
2. Guaranteed minimum benefit risk is calculated by using the standard method.

Supplementary Explanation

< Calculation of returns >

The calculation methods of “Return on investments (income base)”, “Return on investments (realized base)” and “Total return based on the fair value” are as follows.

1. Return on investments (income base)

The results of investment activities are shown from the point of view of income earned (interest and dividend income earned).

Numerator is based on interest and dividend income related to investment assets. Denominator is based on cost of investment assets.

Numerator = Interest and dividend income (including amounts which correspond to interest and dividend income of investment gains and losses on money trusts)

Denominator = Average balances of investment assets based on the cost or the amortized cost

2. Return on investments (realized base)

The results of investment activities are shown from the point of view of the contribution to periodic gains and losses of the period (statement of income).

Numerator is based on realized gains and losses. Denominator is based on cost of investment assets.

Numerator = Investment income + Interest and dividend income on deposits of premiums, etc. - Investment expenses

Denominator = Average balances of investment assets based on the cost or the amortized cost

3. Total return based on the fair value (reference)

The return on investment based on fair value is shown.

Numerator is based on realized gains and losses and changes in unrealized gains and losses on investment assets.

Denominator is based on fair value of investment assets.

Numerator = (Investment income + Interest and dividend income on deposits of premiums, etc. - Investment expenses) + (Unrealized gains and losses at the end of this period* - Unrealized gains and losses at the end of the previous period*) + Increase or decrease in deferred gains and losses on hedges

Denominator = Average balances of investment assets based on the cost or the amortized cost + Unrealized gains and losses at the end of the previous period* + Unrealized gains and losses on trading securities at the end of the previous period

*Unrealized gains and losses relate to securities available for sale, monetary receivables bought and money trusts classified as other than trading purposes or held to maturity. The amount is based on before tax effect deductions.

< Calculation of ratios, etc. >

- Underwriting profit = Underwriting income - Underwriting expenses - Operating, general and administrative expenses related to underwriting + Other income and expenses*

*Other income and expenses include, but not limited to, income tax expenses for compulsory automobile liability insurance.

- Net loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written × 100
- Net operating expenses ratio = (Net commissions and brokerage fees + Operating, general and administrative expenses related to underwriting) / Net premiums written × 100
- Combined ratio = Net loss ratio + Net operating expenses ratio

< Non-consolidated solvency margin ratio >

- In addition to reserves to cover payments for claims, benefits and maturity refunds, etc., it is necessary for insurance companies to maintain sufficient solvency in order to cover against risks which exceed their normal estimates, i.e. occurrence of major catastrophes, fluctuation in mortality rate due to significant changes in key environmental factors and big decline in value of assets held by insurance companies.

- (C) Non-consolidated Solvency Margin Ratio, which is calculated in accordance with the Insurance Business Act, etc. is the ratio of “solvency margin of insurance companies by means of their capital, reserves, etc.” ((A) Total Non-consolidated Solvency Margin) to “risks which exceed their normal estimates” ((B) Total Non-consolidated Risks).

- “Risks which exceed their normal estimates” are composed of risks described below.

- <1> Underwriting risk, Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance:

- Risks of rate of occurrence of insurance claims, etc. in excess of normal estimates (excluding risks relating to major catastrophes)

- <2> Guaranteed interest rate risk:

- Risks of invested assets failing to yield assumed interest rates due to the aggravation of investment conditions

- <3> Investment risk:

- Risks of securities and other assets held fluctuating in prices in excess of normal estimates

- <4> Business management risk:

- Risks beyond normal estimates arising from business management that do not fall under other categories

- <5> Major catastrophe risk:

- Risks of the occurrence of major catastrophic losses in excess of normal estimates (risks such as the Great Kanto Earthquake or Isewan Typhoon)

- <6> Guaranteed minimum benefit risk:

- Risks of special account assets fluctuating in prices in excess of normal estimates

- “Solvency margin of insurance companies by means of their capital, reserves, etc.” (total non-consolidated solvency margin) is the sum of total net assets (excluding planned outflows), certain reserves (reserve for price fluctuation, contingency reserve and catastrophic loss reserve, etc.) and parts of unrealized gains and losses on land, etc.

- Solvency margin ratio is one of the indicators for the regulatory authorities to monitor financial soundness of insurance companies. Solvency margin ratio exceeding 200% would indicate adequate capability to meet payments of possible insurance claims and others.

< Adjusted consolidated profit >

The calculation methods of “Adjusted profit by business segment” and “Adjusted consolidated profit” for fiscal year 2021 are as follows.

		Calculation method
Adjusted profit by business segment (Note 1)	Domestic P&C Insurance Business (Note 2)	Net income for the period + Provisions for catastrophic loss reserve, etc. (after tax) + Provisions for reserve for price fluctuation (after tax) – Gains/losses on sales of securities and impairment losses on securities (after tax)
	Overseas Insurance Business	Operating income (Note 5) Net income for the period for affiliates accounted for under the equity-method in principle
	Domestic Life Insurance Business	Net income for the period + Provisions of contingency reserve (after tax) + Provisions for reserve for price fluctuation (after tax) + Adjustment of underwriting reserve (after tax) + Deferral of acquisition cost (after tax) – Depreciation of acquisition cost (after tax) – Gains/losses on sales of securities and impairment losses on securities (after tax)
	Nursing Care & Seniors Business	Net income for the period
	Digital Business (Note 3)	Net income for the period – Gains/losses and impairment losses on investment (after tax)
	Healthcare Business, etc. (Note 4)	Net income for the period
Adjusted consolidated profit		Total of adjusted profit by business segment

Notes)

- Adjusted profit by business segment excludes one-time gains and losses or special factors such as dividend from subsidiaries.
- Total of Sompo Japan Insurance Inc., SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED, Sompo Japan Partners Inc., Mysurance Inc., Sompo Japan DC Securities Inc., Sompo Risk Management Inc., Tier IV, Inc., DeNA SOMPO Mobility Co., Ltd., akippa Inc., DeNA SOMPO Carlife Co., Ltd., Prime Assistance Inc. and Sompo Warranty Inc.
- Total of Palantir Technologies Japan KK, SOMPO Aux., Inc. and ABEJA, Inc.
- Total of Sompo Health Support Inc., Wellness Communications Corporation, Sompo Asset Management Co., Ltd. and FRESHHOUSE Co., Ltd.
- Operating income excludes one-time factors (operating income = Net income – Net foreign exchange gains and losses – Net realized and unrealized gains and losses – Net impairment losses recognized in earnings, etc.).

4. Supplementary Data about Financial Results for the fiscal year ended March 31, 2022 at Press Conference

Sompo Japan Insurance Inc. (Non-consolidated)

(1) Key figures

(Yen in hundred millions)

	Fiscal year ended March 31, 2021	Six months ended September 30, 2021	Fiscal year ended March 31, 2022	Increase (Decrease)	Increase (Decrease)
	(A)	(B)	(C)	(C) - (A)	(C) - (B)
1 Net premiums written	21,414	11,057	21,587	173	—
Rate of change	(2.0)%	1.1 %	0.8 %	2.8 %	(0.3)%
2 Total assets	73,896	72,996	73,666	(229)	670
3 Loss ratio	60.8 %	57.8 %	59.8 %	(1.1)%	1.9 %
4 Operating expenses ratio	33.6 %	33.5 %	33.7 %	0.1 %	0.3 %
5 Combined ratio	94.5 %	91.3 %	93.5 %	(1.0)%	2.2 %
Underwriting result ratio	5.5 %	8.7 %	6.5 %	1.0 %	(2.2)%
6 Voluntary automobile insurance					
• Net premiums written	10,898	5,427	10,877	(20)	—
Rate of change	0.5 %	0.3 %	(0.2)%	(0.7)%	(0.5)%
• Underwriting result ratio	11.9 %	12.5 %	10.9 %	(1.1)%	(1.6)%
• Loss ratio	55.5 %	54.6 %	56.0 %	0.5 %	1.4 %
• Operating expenses ratio	32.6 %	32.9 %	33.1 %	0.5 %	0.2 %
7 Fire and allied insurance					
• Net premiums written	3,063	1,587	3,276	212	—
Rate of change	7.4 %	4.7 %	6.9 %	(0.5)%	2.3 %
• Underwriting result ratio	(15.4)%	(16.3)%	(9.7)%	5.7 %	6.6 %
• Loss ratio	72.1 %	74.6 %	68.6 %	(3.6)%	(6.1)%
• Operating expenses ratio	43.3 %	41.7 %	41.2 %	(2.1)%	(0.5)%
8 Number of employees	23,447	22,819	22,537	(910)	(282)
9 Number of agencies	48,405	47,305	46,512	(1,893)	(793)

<Reference> Consolidated figures of Sompo Holdings, Inc.

(Yen in hundred millions)

	Fiscal year ended March 31, 2021	Six months ended September 30, 2021	Fiscal year ended March 31, 2022	Increase (Decrease)	Increase (Decrease)
	(A)	(B)	(C)	(C) - (A)	(C) - (B)
1 Ordinary income	38,463	21,797	41,674	3,211	—
2 Net premiums written	29,235	17,017	32,157	2,921	—
Rate of change	3.5 %	8.5 %	10.0 %	6.5 %	1.5 %
3 Life insurance premiums written	3,461	1,579	3,251	(209)	—
Rate of change	(2.8)%	(6.5)%	(6.1)%	(3.3)%	0.4 %
4 Ordinary profit	2,150	1,905	3,155	1,004	—
5 Net income attributable to shareholders of the parent	1,424	1,307	2,248	823	—

Notes)

- Loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written
- Operating expenses ratio = (Net commissions and brokerage fees + Operating, general and administrative expenses related to underwriting) / Net premiums written
- Combined ratio = Loss ratio + Operating expenses ratio
- Underwriting result ratio = 1 - Combined ratio
- Items with % within "Increase (Decrease)" represent change from the fiscal year ended March 31, 2021 and the six months ended September 30, 2021, respectively.

Sampo Japan Insurance Inc. (Non-consolidated)

(2) Other figures

(a) Impairment losses on securities

(Yen in hundred millions)

	Fiscal year ended March 31, 2021	Six months ended September 30, 2021	Fiscal year ended March 31, 2022
Domestic bonds	—	—	—
Domestic stocks	22	21	15
Foreign securities	10	0	3
Others	—	—	—
Total	32	21	18

Note) Besides the above, impairment losses on trust assets (securities) in money trusts other than trading purposes or held to maturity amount to 0.0 billion yen for the fiscal year ended March 31, 2022.

This amount is recognized in "Investment gains on money trusts" and "Investment losses on money trusts" in the statement of income.

Applied rules of impairment loss recognition

Basically, Sampo Japan recognizes impairment losses on securities if fair value declines by 30% or more from book value.

(b) Impairment losses on fixed assets

(Yen in hundred millions)

	Fiscal year ended March 31, 2021	Six months ended September 30, 2021	Fiscal year ended March 31, 2022
Land	47	—	26
Buildings	26	—	19
Others	—	—	—
Total	74	—	45

(c) Unrealized gains and losses on securities

(Yen in hundred millions)

	As of March 31, 2021	As of September 30, 2021	As of March 31, 2022
Domestic bonds	818	805	553
Domestic stocks	9,126	9,398	8,849
Foreign securities	1,229	1,507	1,431
Others	170	211	188
Total	11,346	11,923	11,021

Notes)

1. Unrealized gains and losses on monetary receivables bought are included in "Others" above.

2. Besides the above, unrealized gains and losses on trust assets (securities) in money trusts other than trading purposes or held to maturity amount to 3.5 billion yen as of March 31, 2021, 3.6 billion yen as of September 30, 2021 and 5.3 billion yen as of March 31, 2022.

Sampo Japan Insurance Inc. (Non-consolidated)

(d) Claims during the period due to natural disasters in Japan (excluding household earthquake insurance)

(Yen in hundred millions)

	Fiscal year ended March 31, 2021	Six months ended September 30, 2021	Fiscal year ended March 31, 2022
Direct claims paid a	725	70	262
Net claims paid b	538	69	255
Unpaid claims c	454	195	489
Net incurred loss b + c	993	265	744

Notes)

1. This table represents paid and unpaid claims during the period due to natural disasters in Japan.
2. Amounts of unpaid claims are calculated by deducting reinsurance recoverable on unpaid loss.

(e) Catastrophic loss reserve

(Yen in hundred millions, %)

Business line	Fiscal year ended March 31, 2021			Six months ended September 30, 2021			Fiscal year ended March 31, 2022		
	Balance	Balance ratio	Provision	Balance	Balance ratio	Provision	Balance	Balance ratio	Provision
Fire and allied insurance	1,036	33.9	552	1,128	35.6	292	1,146	35.0	585
Marine insurance	440	108.6	12	448	88.0	7	455	97.2	14
Personal accident insurance	763	50.2	48	790	47.6	26	812	53.6	48
Voluntary automobile insurance	710	6.5	353	887	8.2	176	1,063	9.8	352
Others	1,987	63.1	103	2,032	56.1	59	2,034	62.0	107
Total	4,940	26.0	1,071	5,286	26.7	562	5,512	28.4	1,109

Notes)

1. Balance ratio = Balance of catastrophic loss reserve / Net premiums written (excluding household earthquake insurance and compulsory automobile liability insurance)
As for the six months ended September 30, 2021, net premiums written (excluding household earthquake insurance and compulsory automobile liability insurance) are doubled for the calculation of balance ratio.
2. Provision represents gross amounts before deducting reversal.

(f) Reinsurance assumed

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2021		Fiscal year ended March 31, 2022	
	Reinsurance premiums assumed	Reinsurance claims assumed	Reinsurance premiums assumed	Reinsurance claims assumed
Fire and allied insurance	312	135	348	138
Marine insurance	118	77	132	60
Personal accident insurance	11	6	11	5
Voluntary automobile insurance	0	10	1	2
Compulsory automobile liability insurance	1,588	1,752	1,388	1,587
Others	139	86	149	69
Total	2,170	2,070	2,031	1,864

(g) Reinsurance ceded

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2021		Fiscal year ended March 31, 2022	
	Reinsurance premiums ceded	Reinsurance claims ceded	Reinsurance premiums ceded	Reinsurance claims ceded
Fire and allied insurance	2,062	1,409	2,027	914
Marine insurance	156	52	154	57
Personal accident insurance	71	20	65	20
Voluntary automobile insurance	59	83	51	14
Compulsory automobile liability insurance	1,599	1,836	1,425	1,686
Others	902	378	929	349
Total	4,853	3,782	4,654	3,042