



UNOFFICIAL TRANSLATION

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Summary of
Consolidated Financial Results
for the six months ended September 30, 2022
Supplementary Information

November 18, 2022

Sompo Holdings, Inc.

(Securities Code : 8630)

1. Overview of Consolidated Financial Results for the six months ended September 30, 2022

(1) Sompo Holdings, Inc.

Overview of Consolidated Financial Results for the six months ended September 30, 2022

(Yen in hundred millions, %)

		Six months ended September 30, 2021	Six months ended September 30, 2022	Increase (Decrease)	Rate of change
Ordinary income:	(1)	21,797	25,657	3,860	17.7
Net premiums written:	(2)	17,017	21,032	4,014	23.6
Sompo Japan Insurance Inc.	(3)	11,057	11,620	563	5.1
Overseas consolidated subsidiaries	(4)	5,629	9,044	3,414	60.6
Life insurance premiums written	(5)	1,579	1,568	(11)	(0.7)
Ordinary profit:	(6)	1,905	(236)	(2,142)	(112.4)
Sompo Japan Insurance Inc.	(7)	878	(500)	(1,378)	(156.9)
Net income attributable to shareholders of the parent:	(8)	1,307	(200)	(1,507)	(115.3)
Sompo Japan Insurance Inc.	(9)	641	(343)	(984)	(153.6)
Overseas consolidated subsidiaries ^(Note2)	(10)	370	327	(42)	(11.5)
Sompo Himawari Life Insurance, Inc.	(11)	100	(37)	(138)	(137.5)
Nursing Care & Seniors consolidated subsidiaries	(12)	25	25	0	2.0
Others and consolidation adjustment, etc. ^(Note1,2)	(13)	169	(172)	(342)	

Notes)

- "Others and consolidation adjustment, etc." 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, (10.6) billion yen is included in the interim result for the six months ended September 30, 2021 and (101.6) billion yen is included in the interim result for the six months ended September 30, 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 impact is excluded from both "Overseas consolidated subsidiaries" and "Others and consolidation adjustment, etc." in the above table.

The impact of Sompo Japan Insurance Inc.'s domestic natural disasters excluding household earthquake insurance during the period

(Yen in hundred millions)

		Six months ended September 30, 2021	Six months ended September 30, 2022	Increase (Decrease)
Net claims paid	(1)	69	220	150
Change in reserve for outstanding losses and claims	(2)	195	796	601
Net incurred loss	(3)	265	1,016	751

(Reference) SOMPO HOLDINGS' numerical management targets

(Yen in hundred millions)

	Six months ended September 30, 2021	Six months ended September 30, 2022	Increase (Decrease)	Rate of change
Adjusted consolidated profit	1,487	508	(978)	(65.8)%

(2) Sompo Japan Insurance Inc.

Summary of Results of Operations

(Yen in hundred millions)

		Six months ended September 30,2021 (April 1 to September 30, 2021)	Six months ended September 30,2022 (April 1 to September 30, 2022)	Increase (Decrease)	Rate of change
Ordinary income and expenses:					%
Underwriting income and expenses: ^(Note)					
Direct premiums written	(1)	12,291	13,026	734	6.0
(+) Net premiums written	(2)	11,057	11,620	563	5.1
(-) Net claims paid	(3)	5,820	6,187	366	6.3
(-) Loss adjustment expenses	(4)	574	580	5	1.0
(-) Net operating expenses:	(5)	3,700	3,888	188	5.1
Net commissions and brokerage fees	(6)	2,151	2,314	163	7.6
Operating, general and administrative expenses related to underwriting	(7)	1,549	1,574	25	1.6
Underwriting result	(8)	961	964	2	0.3
(-) Change in reserve for outstanding losses and claims	(9)	(83)	979	1,063	—
(-) Change in Ordinary Underwriting Reserves	(10)	298	667	368	123.4
(-) Change in Catastrophic Loss Reserve	(11)	346	445	99	28.6
(+) Other underwriting income and expenses	(12)	63	43	(19)	(31.5)
Underwriting profit	(13)	462	(1,085)	(1,548)	(334.5)
Investment income and expenses:					
(+) Interest and dividend income	(14)	625	613	(12)	(2.0)
(+) Transfer of interest and dividend income on deposits of premiums, etc.	(15)	(152)	(144)	7	—
Net Interest and dividend income	(16)	473	468	(4)	(1.0)
(+) Gains and losses on sales of securities	(17)	39	120	81	207.1
(-) Impairment losses on securities	(18)	21	13	(7)	(35.7)
(+) Gains and losses on derivatives	(19)	(0)	(42)	(41)	—
(+) Other investment income and expenses	(20)	26	103	77	293.2
Gross investment margin	(21)	517	637	119	23.2
(+) Other ordinary income and expenses, etc.	(22)	(101)	(51)	49	—
Ordinary profit	(23)	878	(500)	(1,378)	(156.9)
Extraordinary gains and losses:					
(+) Extraordinary gains	(24)	6	16	10	159.9
(-) Extraordinary losses	(25)	26	25	(0)	(1.7)
Extraordinary gains and losses	(26)	(20)	(9)	10	—
Net income before income taxes	(27)	858	(509)	(1,368)	(159.3)
(-) Total income taxes	(28)	217	(165)	(383)	(176.2)
Net income	(29)	641	(343)	(984)	(153.6)
Ratios:		%	%	%	
Net loss ratio	(30)	57.8	58.2	0.4	
Net operating expenses ratio	(31)	33.5	33.5	(0.0)	
Combined ratio	(32)	91.3	91.7	0.4	
Reference: Ratios excluding earthquake insurance and compulsory automobile liability insurance					
E/I loss ratio	(33)	56.8	70.8	14.0	
E/I combined ratio	(34)	90.7	104.6	13.9	

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

(3) Overseas consolidated subsidiaries

Summary of Results of Major items

(Yen in hundred millions)

		Six months ended September 30, 2021 (April 1 to September 30, 2021)	Six months ended September 30, 2022 (April 1 to September 30, 2022)	Increase (Decrease)	Rate of change
Net premiums written:					%
	(1)	5,629	9,044	3,414	60.6
SI commercial ^(Note2)	(2)	5,097	8,118	3,021	59.3
Net income attributable to shareholders of the parent:					
	(3)	370	327	(42)	(11.5)
SI commercial	(4)	402	447	44	11.1
The amount to be revised due to differences in accounting standards, which is excluded on consolidation ^(Note1)	(5)	106	1,016	909	849.8
Reference: Unadjusted net income (loss) attributable to shareholders of the parent (3)-(5)	(6)	263	(688)	(951)	(361.2)
SI commercial (4)-(5)	(7)	295	(568)	(864)	(292.4)
Reference: SI commercial ratios					
E/I loss ratio	(8)	66.0	65.6	(0.4)	
E/I combined ratio	(9)	92.8	90.3	(2.5)	

Notes)

- "The amount to be revised due to differences in accounting standards, which is excluded on consolidation" is the amount stated on page 1 (Note 2).
- SI stands for Sompo International Holdings Ltd.

(4) Sompo Himawari Life Insurance, Inc.

Summary of Results of Major items

(Yen in hundred millions)

		Six months ended September 30, 2021 (April 1 to September 30, 2021)	Six months ended September 30, 2022 (April 1 to September 30, 2022)	Increase (Decrease)	Rate of change
Insurance premiums and other	(1)	2,140	2,123	(17)	(0.8)
Net premiums written	(2)	1,547	1,528	(18)	(1.2)
Ordinary profit	(3)	163	(24)	(187)	(115.0)
Net income	(4)	100	(37)	(138)	(137.5)

(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	Six months ended September 30, 2021 (April 1 to September 30, 2021)		Six months ended September 30, 2022 (April 1 to September 30, 2022)		
	Amount	Rate of change	Amount	Increase (Decrease)	Rate of change
Fire and allied insurance	2,404	0.3	3,036	632	26.3
Marine insurance	250	8.4	310	60	24.0
Personal accident insurance	859	(0.5)	882	23	2.7
Voluntary automobile insurance	5,453	0.2	5,410	(42)	(0.8)
Compulsory automobile liability insurance	1,120	(4.2)	1,112	(7)	(0.7)
Others	2,204	3.4	2,273	68	3.1
Total	12,291	0.5	13,026	734	6.0
Deposits of premiums by policyholders	408	(18.6)	350	(58)	(14.4)

(b) Net premiums written

(Yen in hundred millions)

Business line	Six months ended September 30, 2021 (April 1 to September 30, 2021)		Six months ended September 30, 2022 (April 1 to September 30, 2022)		
	Amount	Rate of change	Amount	Increase (Decrease)	Rate of change
Fire and allied insurance	1,587	4.7	2,188	600	37.9
Marine insurance	255	22.5	297	42	16.8
Personal accident insurance	831	0.6	849	17	2.2
Voluntary automobile insurance	5,427	0.3	5,386	(41)	(0.8)
Compulsory automobile liability insurance	1,142	(7.2)	1,050	(92)	(8.1)
Others	1,812	4.0	1,848	35	2.0
Total	11,057	1.1	11,620	563	5.1
Excluding household earthquake insurance and compulsory automobile liability insurance	9,912	2.2	10,569	656	6.6

(c) Net claims paid

(Yen in hundred millions)

Business line	Six months ended September 30, 2021 (April 1 to September 30, 2021)		Six months ended September 30, 2022 (April 1 to September 30, 2022)			
	Amount	Net loss ratio	Amount	Increase (Decrease)	Net loss ratio	Increase (Decrease)
Fire and allied insurance	1,143	74.6	1,283	139	60.6	(14.1)
Marine insurance	116	47.7	100	(15)	35.7	(12.0)
Personal accident insurance	345	45.4	433	88	55.3	9.9
Voluntary automobile insurance	2,602	54.6	2,751	149	57.8	3.2
Compulsory automobile liability insurance	779	75.3	717	(61)	75.9	0.6
Others	833	48.8	900	66	51.6	2.8
Total	5,820	57.8	6,187	366	58.2	0.4
Excluding household earthquake insurance and compulsory automobile liability insurance	5,019	55.6	5,454	435	56.3	0.7

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

(Yen in hundred millions)

Business line	Six months ended September 30, 2021 (April 1 to September 30, 2021)			Six months ended September 30, 2022 (April 1 to September 30, 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	53	187	241	111	703	814
Voluntary automobile insurance	14	2	16	103	87	191
Other than the above	2	4	7	4	5	10
Total excluding household earthquake insurance and compulsory automobile liability insurance	69	195	265	220	796	1,016

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	Six months ended September 30, 2021 (April 1 to September 30, 2021)			Six months ended September 30, 2022 (April 1 to September 30, 2022)		
	Amount	Increase (Decrease)	Rate of change	Amount	Increase (Decrease)	Rate of change
Personnel expenses	1,055	(32)	(3.0)	1,038	(16)	(1.6)
Non-personnel expenses	1,043	86	9.0	1,091	47	4.5
Others (taxes and contributions)	118	9	9.0	122	3	2.8
Total	2,218	64	3.0	2,252	34	1.5

(f) Reserve for Outstanding Losses and Claims

(Yen in hundred millions)

Business line	Six months ended September 30, 2021		Six months ended September 30, 2022	
	Balance	Change	Balance	Change
Fire and allied insurance	1,334	(89)	2,165	616
Marine insurance	218	3	225	(6)
Personal accident insurance	447	(0)	515	45
Voluntary automobile insurance	3,695	(16)	3,925	232
Compulsory automobile liability insurance	640	14	605	(16)
Others	2,304	4	2,544	108
Total	8,640	(83)	9,981	979

(g) Ordinary Underwriting Reserves

(Yen in hundred millions)

Business line	Six months ended September 30, 2021		Six months ended September 30, 2022	
	Balance	Change	Balance	Change
Fire and allied insurance	7,830	78	8,260	420
Marine insurance	190	(9)	243	20
Personal accident insurance	1,355	81	1,375	94
Voluntary automobile insurance	3,188	(15)	3,154	(18)
Compulsory automobile liability insurance	4,620	0	4,573	(22)
Others	3,624	163	3,619	173
Total	20,810	298	21,227	667

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	Six months ended September 30, 2021				Six months ended September 30, 2022			
	Reversal	Provision	Balance	Balance ratio	Reversal	Provision	Balance	Balance ratio
Fire and allied insurance	201	292	1,128	35.6	163	419	1,402	32.1
Marine insurance	—	7	448	88.0	—	18	473	79.4
Personal accident insurance	—	26	790	47.6	12	27	827	48.7
Voluntary automobile insurance	—	176	887	8.2	75	174	1,162	10.8
Others	14	59	2,032	56.1	9	67	2,091	56.6
Total	215	562	5,286	26.7	261	707	5,958	28.2

Note) Balance ratio = Balance of catastrophic loss reserve / { Net premiums written (excluding earthquake insurance and compulsory automobile liability insurance) × 2 } × 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 Original forecast (A)	Fiscal year ending March 31, 2023 Revised forecast (B)	Increase (Decrease) (B)-(A)
Net premiums written	32,157	34,410	38,180	3,770
Life insurance premiums written	3,251	3,270	3,270	—
Ordinary profit	3,155	2,350	1,150	(1,200)
Net income attributable to shareholders of the parent:	2,248	1,600	800	(800)
Sompo Japan Insurance Inc.	1,662	1,450	840	(610)
Overseas consolidated subsidiaries ^(Note 2)	643	952	810	(142)
Sompo Himawari Life Insurance, Inc.	159	105	(37)	(142)
Nursing Care & Seniors consolidated subsidiaries	59	55	55	(0)
Others and consolidation adjustment, etc. ^(Note 1, 2)	(275)	(963)	(868)	95

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.
- (25.5) billion yen is included in the result during the fiscal year ended March 31, 2022 and (157.5) billion yen is included in the revised forecast during the fiscal year ending March 31, 2023 as the amount to be revised stated on page 1 (Note 2). The same amount impact is excluded from both "Overseas consolidated subsidiaries" and "Others and consolidation adjustment, etc." in the above table.

SOMPO HOLDINGS' numerical management targets and dividends

(Yen in hundred millions)

	Fiscal year ended March 31, 2022 Result	Fiscal year ending March 31, 2023 Original forecast (A)	Fiscal year ending March 31, 2023 Revised forecast (B)	Increase (Decrease) (B)-(A)
Adjusted consolidated profit	2,613	2,600	1,600	(1,000)
Dividends per share (annual)	210 yen	260 yen	260 yen	— yen
Interim Dividends per share	105 yen	130 yen	130 yen	— yen
Year-end Dividends per share	105 yen	130 yen	130 yen	— yen

Sompo Japan Insurance Inc. (Non-consolidated)

(Yen in hundred millions, %)

	Fiscal year ended March 31, 2022 Result	Fiscal year ending March 31, 2023 Original forecast (A)	Fiscal year ending March 31, 2023 Revised forecast (B)	Increase (Decrease) (B)-(A)
Net premiums written	21,587	22,040	22,400	360
(Excluding earthquake insurance and compulsory automobile liability insurance)	19,417	19,876	20,327	450
Net loss ratio	59.8	61.3	63.5	2.3
(Excluding earthquake insurance and compulsory automobile liability insurance)	57.4	59.1	61.3	2.2
Net operating expenses ratio	33.7	33.8	33.8	0.1
(Excluding earthquake insurance and compulsory automobile liability insurance)	34.5	34.4	34.4	(0.0)
Combined ratio	93.5	95.0	97.4	2.4
(Excluding earthquake insurance and compulsory automobile liability insurance)	91.9	93.5	95.7	2.2
Underwriting profit	630	790	(200)	(990)
Gross investment margin	1,633	1,267	1,340	73
Ordinary profit	2,108	1,875	990	(885)
Net income	1,662	1,450	840	(610)

(Reference: Ratios excluding earthquake insurance and compulsory automobile liability insurance)

E/I loss ratio	59.1	59.3	65.4	6.1
E/I combined ratio	93.5	93.7	99.8	6.1

(Major assumptions of the forecasts of consolidated financial results)

- Assumptions for net premiums written are based on the Company's own projections based on extrapolation from past trends and other factors.
 - The Company is forecasting 120.0 billion yen for net incurred loss (excluding household earthquake insurance) of Sompo Japan Insurance Inc. due to domestic natural disasters that occur during the fiscal year ending March 31, 2023, taking into account results during the six months ended September 30, 2022 and earlier, among other factors.
 - The Company assumes no major change in market interest rates, exchange rates and stock prices from their levels at September 30, 2022.
- The Company's consolidated forecasts were prepared based on information available as of the date of this report. Accordingly, actual results may differ materially from projections depending on various factors in the future.

3. Overview of Business Results of Principal Consolidated Subsidiaries

Sompo Japan Insurance Inc. (Non-consolidated)

Interim Balance Sheet

	(Millions of yen)		
	As of March 31, 2022	As of September 30, 2022	Increase (Decrease)
	Amount	Amount	
Assets:			
Cash and deposits	477,918	580,229	102,310
Receivables under resale agreements	73,999	74,999	999
Monetary receivables bought	20,104	20,292	187
Money trusts	20,683	18,095	(2,588)
Securities	5,259,488	5,046,324	(213,164)
Loans	519,703	474,125	(45,578)
Tangible fixed assets	227,274	223,779	(3,495)
Intangible fixed assets	209,721	222,209	12,487
Other assets	543,748	480,615	(63,133)
Deferred tax assets	22,481	85,991	63,510
Allowance for possible credit losses	(2,751)	(2,693)	58
Allowance for possible investment losses	(5,689)	(5,482)	206
Total assets	7,366,684	7,218,485	(148,198)
Liabilities:			
Underwriting funds:	4,557,431	4,731,492	174,061
Reserve for outstanding losses and claims	900,122	998,106	97,984
Underwriting reserves	3,657,309	3,733,386	76,076
Corporate bonds	433,560	433,560	—
Other liabilities	700,176	509,334	(190,842)
Reserve for retirement benefits	85,576	87,317	1,741
Reserve for bonus payments	15,719	17,734	2,014
Reserve for bonus payments to directors	117	—	(117)
Reserves under the special laws:	95,331	97,460	2,128
Reserve for price fluctuation	95,331	97,460	2,128
Total liabilities	5,887,913	5,876,899	(11,013)
Net assets:			
Shareholders' equity:			
Common stock	70,000	70,000	—
Capital surplus	70,000	70,000	—
Retained earnings	529,398	495,037	(34,361)
Total shareholders' equity	669,398	635,037	(34,361)
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	805,943	703,165	(102,777)
Deferred gains and losses on hedges	3,429	3,383	(45)
Total valuation and translation adjustments	809,372	706,549	(102,823)
Total net assets	1,478,770	1,341,586	(137,184)
Total liabilities and net assets	7,366,684	7,218,485	(148,198)

Sompo Japan Insurance Inc. (Non-consolidated)

Interim Statement of Income

(Millions of yen)

	Six months ended September 30, 2021 (April 1 to September 30, 2021)	Six months ended September 30, 2022 (April 1 to September 30, 2022)	Increase (Decrease)	Rate of change
	Amount	Amount		
Ordinary income:	1,232,829	1,302,570	69,740	5.7
Underwriting income:	1,170,549	1,214,594	44,045	3.8
Net premiums written	1,105,703	1,162,038	56,335	5.1
Deposits of premiums by policyholders	40,889	35,003	(5,886)	(14.4)
Interest and dividend income on deposits of premiums, etc.	15,211	14,450	(761)	(5.0)
Reversal of reserve for outstanding losses and claims	8,377	—	(8,377)	(100.0)
Investment income:	56,482	81,982	25,499	45.1
Interest and dividend income	62,548	61,328	(1,220)	(2.0)
Investment gains on money trusts	814	1,766	952	117.0
Gains on sales of securities	4,126	19,452	15,325	371.4
Transfer of interest and dividend income on deposits of premiums, etc.	(15,211)	(14,450)	761	—
Other ordinary income	5,798	5,993	194	3.4
Ordinary expenses:	1,144,963	1,352,573	207,610	18.1
Underwriting expenses:	970,997	1,162,187	191,189	19.7
Net claims paid	582,036	618,711	36,674	6.3
Loss adjustment expenses	57,482	58,035	553	1.0
Net commissions and brokerage fees	215,123	231,430	16,307	7.6
Maturity refunds to policyholders	78,886	79,251	364	0.5
Provision for reserve for outstanding losses and claims	—	97,984	97,984	—
Provision for underwriting reserves	36,506	76,076	39,570	108.4
Investment expenses:	4,756	18,263	13,507	284.0
Investment losses on money trusts	44	2	(41)	(94.4)
Losses on sales of securities	196	7,384	7,187	3,651.8
Impairment losses on securities	2,159	1,388	(770)	(35.7)
Operating, general and administrative expenses	164,327	167,202	2,875	1.7
Other ordinary expenses:	4,881	4,920	38	0.8
Interest paid	3,507	3,481	(26)	(0.8)
Ordinary profit (loss)	87,866	(50,003)	(137,870)	(156.9)
Extraordinary gains:	636	1,653	1,017	159.9
Gains on disposal of fixed assets	636	1,653	1,017	159.9
Extraordinary losses:	2,641	2,596	(45)	(1.7)
Losses on disposal of fixed assets	617	467	(149)	(24.3)
Provision for reserves under the special laws:	2,024	2,128	104	5.2
Provision for reserve for price fluctuation	2,024	2,128	104	5.2
Net income (loss) before income taxes	85,861	(50,946)	(136,807)	(159.3)
Income taxes	38,350	7,018	(31,331)	(81.7)
Deferred income taxes	(16,589)	(23,603)	(7,013)	—
Total income taxes	21,760	(16,584)	(38,344)	(176.2)
Net income (loss)	64,101	(34,361)	(98,463)	(153.6)
Underwriting result:				
Net premiums written (+)	1,105,703	1,162,038	56,335	5.1
Net claims paid (—)	582,036	618,711	36,674	6.3
Loss adjustment expenses (—)	57,482	58,035	553	1.0
Net operating expenses: (—)	370,026	388,843	18,817	5.1
Net commissions and brokerage fees	215,123	231,430	16,307	7.6
Operating, general and administrative expenses related to underwriting	154,902	157,412	2,509	1.6
Underwriting result	96,158	96,448	289	0.3
Underwriting profit (loss)	46,291	(108,564)	(154,856)	(334.5)
Ratios:				
Net loss ratio (%)	57.8	58.2	0.4	
Net operating expenses ratio (%)	33.5	33.5	(0.0)	
Combined ratio (%)	91.3	91.7	0.4	

Sampo 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	Six months ended September 30, 2021 (April 1 to September 30, 2021)			Six months ended September 30, 2022 (April 1 to September 30, 2022)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	240,428	19.6	0.3	303,696	23.3	26.3
Marine insurance	25,040	2.0	8.4	31,056	2.4	24.0
Personal accident insurance	85,901	7.0	(0.5)	88,255	6.8	2.7
Voluntary automobile insurance	545,323	44.4	0.2	541,044	41.5	(0.8)
Compulsory automobile liability insurance	112,020	9.1	(4.2)	111,249	8.5	(0.7)
Others	220,450	17.9	3.4	227,312	17.5	3.1
Total	1,229,164	100.0	0.5	1,302,614	100.0	6.0
Deposits of premiums by policyholders	40,889	—	(18.6)	35,003	—	(14.4)

Net premiums written

(Millions of yen)

Business line	Six months ended September 30, 2021 (April 1 to September 30, 2021)			Six months ended September 30, 2022 (April 1 to September 30, 2022)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	158,730	14.4	4.7	218,820	18.8	37.9
Marine insurance	25,503	2.3	22.5	29,784	2.6	16.8
Personal accident insurance	83,133	7.5	0.6	84,923	7.3	2.2
Voluntary automobile insurance	542,774	49.1	0.3	538,670	46.4	(0.8)
Compulsory automobile liability insurance	114,288	10.3	(7.2)	105,032	9.0	(8.1)
Others	181,272	16.4	4.0	184,808	15.9	2.0
Total	1,105,703	100.0	1.1	1,162,038	100.0	5.1

Net claims paid

(Millions of yen)

Business line	Six months ended September 30, 2021 (April 1 to September 30, 2021)			Six months ended September 30, 2022 (April 1 to September 30, 2022)		
	Amount	Rate of change	Net loss ratio	Amount	Rate of change	Net loss ratio
Fire and allied insurance	114,349	14.1	74.6	128,332	12.2	60.6
Marine insurance	11,612	(4.7)	47.7	10,061	(13.4)	35.7
Personal accident insurance	34,523	(2.6)	45.4	43,326	25.5	55.3
Voluntary automobile insurance	260,218	3.4	54.6	275,182	5.8	57.8
Compulsory automobile liability insurance	77,957	(3.8)	75.3	71,785	(7.9)	75.9
Others	83,375	1.2	48.8	90,022	8.0	51.6
Total	582,036	3.4	57.8	618,711	6.3	58.2

Sampo Japan Insurance Inc. (Non-consolidated)

Non-consolidated Solvency Margin Ratio

	(Millions of yen)	
	As of March 31, 2022	As of September 30, 2022
(A) Total Non-consolidated Solvency Margin	3,042,067	2,919,135
Capital and funds, etc.	669,398	635,037
Reserve for price fluctuation	95,331	97,460
Contingency reserve	2,475	2,893
Catastrophic loss reserve	554,520	597,693
General allowance for possible credit losses	132	87
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	988,227	864,469
Unrealized gains and losses on land	132,656	131,099
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	46,381	41,667
Others	212,146	198,501
(B) Total Non-consolidated Risks	872,214	856,251
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
Underwriting risk (R_1)	196,903	197,305
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R_2)	—	—
Guaranteed interest rate risk (R_3)	13,946	13,452
Investment risk (R_4)	623,096	626,611
Business management risk (R_5)	20,380	20,075
Major catastrophe risk (R_6)	185,055	166,391
(C) Non-consolidated Solvency Margin Ratio [(A) / {(B) × 1/2}] × 100	697.5 %	681.8 %

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)

Interim Balance Sheet

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022	Increase (Decrease)
	Amount	Amount	
Assets:			
Cash and deposits	20,757	16,376	(4,381)
Securities	46,865	50,674	3,808
Tangible fixed assets	403	355	(48)
Intangible fixed assets	5,715	6,703	988
Other assets	5,943	8,504	2,560
Deferred tax assets	1,744	2,135	391
Allowance for possible credit losses	(0)	(0)	(0)
Total assets	81,430	84,749	3,319
Liabilities:			
Underwriting funds:	57,382	66,357	8,975
Reserve for outstanding losses and claims	22,115	23,907	1,792
Underwriting reserves	35,266	42,450	7,183
Other liabilities	5,641	2,464	(3,177)
Reserve for retirement benefits to directors	9	12	2
Reserve for bonus payments	410	407	(2)
Reserve for bonus payments to directors	15	8	(7)
Reserves under the special laws:	87	97	9
Reserve for price fluctuation	87	97	9
Total liabilities	63,547	69,347	5,800
Net assets:			
Shareholders' equity:			
Common stock	32,260	32,260	—
Capital surplus	40,692	40,692	—
Retained earnings	(55,321)	(56,124)	(803)
Total shareholders' equity	17,631	16,828	(803)
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	250	(1,426)	(1,677)
Total valuation and translation adjustments	250	(1,426)	(1,677)
Total net assets	17,882	15,401	(2,480)
Total liabilities and net assets	81,430	84,749	3,319

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

Interim Statement of Income

(Millions of yen)

	Six months ended September 30, 2021 (April 1 to September 30, 2021)	Six months ended September 30, 2022 (April 1 to September 30, 2022)	Increase (Decrease)	Rate of change
	Amount	Amount		
Ordinary income:	33,221	36,724	3,503	10.5
Underwriting income:	33,056	36,550	3,493	10.6
Net premiums written	33,034	36,526	3,491	10.6
Interest and dividend income on deposits of premiums, etc.	21	23	2	11.5
Investment income:	144	168	23	16.4
Interest and dividend income	140	192	52	37.1
Gains on sales of securities	13	—	(13)	(100.0)
Transfer of interest and dividend income on deposits of premiums, etc.	(21)	(23)	(2)	—
Other ordinary income	19	6	(13)	(68.3)
Ordinary expenses:	33,906	37,747	3,841	11.3
Underwriting expenses:	26,489	30,213	3,724	14.1
Net claims paid	16,361	18,332	1,971	12.1
Loss adjustment expenses	2,115	2,227	112	5.3
Net commissions and brokerage fees	669	673	3	0.6
Provision for reserve for outstanding losses and claims	1,311	1,792	480	36.7
Provision for underwriting reserves	6,027	7,183	1,156	19.2
Investment expenses:	1	1	(0)	(30.6)
Impairment losses on securities	—	1	1	—
Operating, general and administrative expenses	7,399	7,491	91	1.2
Other ordinary expenses:	15	41	25	166.4
Interest paid	3	2	(0)	(23.3)
Ordinary loss	(685)	(1,022)	(337)	—
Extraordinary losses:	22	13	(9)	(40.3)
Losses on disposal of fixed assets	14	0	(14)	(100.0)
Impairment losses	0	4	3	783.9
Provision for reserves under the special laws:	7	9	1	19.7
Provision for reserve for price fluctuation	7	9	1	19.7
Net loss before income taxes	(708)	(1,036)	(328)	—
Income taxes	7	57	49	622.6
Deferred income taxes	—	(290)	(290)	—
Total income taxes	7	(232)	(240)	(3,041.2)
Net loss	(716)	(803)	(87)	—
Underwriting result:				
Net premiums written (+)	33,034	36,526	3,491	10.6
Net claims paid (—)	16,361	18,332	1,971	12.1
Loss adjustment expenses (—)	2,115	2,227	112	5.3
Net operating expenses: (—)	8,034	8,130	96	1.2
Net commissions and brokerage fees	669	673	3	0.6
Operating, general and administrative expenses related to underwriting	7,364	7,457	92	1.3
Underwriting result	6,524	7,834	1,310	20.1
Underwriting profit (loss)	(777)	(1,100)	(322)	—
Ratios:				
Net loss ratio (%)	55.9	56.3	0.4	
Net operating expenses ratio (%)	24.3	22.3	(2.1)	
Combined ratio (%)	80.3	78.6	(1.7)	

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

Non-consolidated Solvency Margin Ratio

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
(A) Total Non-consolidated Solvency Margin	21,775	20,116
Capital and funds, etc.	17,631	16,828
Reserve for price fluctuation	87	97
Contingency reserve	11	11
Catastrophic loss reserve	3,669	4,540
General allowance for possible credit losses	—	0
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	374	(1,361)
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	8,841	9,069
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
Underwriting risk (R_1)	7,011	7,208
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R_2)	—	—
Guaranteed interest rate risk (R_3)	15	14
Investment risk (R_4)	1,763	1,868
Business management risk (R_5)	302	311
Major catastrophe risk (R_6)	1,304	1,306
(C) Non-consolidated Solvency Margin Ratio [(A) / ((B) × 1/2)] × 100	492.5 %	443.6 %

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)

Interim Balance Sheet

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022	Increase (Decrease)
	Amount	Amount	
Assets:			
Cash and deposits	137,951	92,644	(45,307)
Securities:	3,476,978	3,604,863	127,885
Government bonds	2,371,793	2,532,554	160,761
Municipal bonds	57,515	56,905	(609)
Corporate bonds	420,802	398,007	(22,795)
Domestic stocks	9,858	9,522	(336)
Foreign securities	611,887	602,206	(9,680)
Loans:	41,428	41,758	329
Policy loans	41,425	41,755	329
Ordinary loans	3	2	(0)
Tangible fixed assets	2,219	2,015	(203)
Intangible fixed assets	1,234	2,295	1,061
Agency accounts receivable	99	116	17
Reinsurance accounts receivable	1,599	1,066	(533)
Other assets:	54,377	50,846	(3,531)
Deferred tax assets	22,434	37,313	14,878
Allowance for possible credit losses	(76)	(52)	23
Total assets	3,738,246	3,832,866	94,619
Liabilities:			
Policy reserves:	3,290,913	3,370,582	79,669
Reserve for outstanding claims	40,896	54,208	13,311
Policy reserves	3,245,593	3,311,294	65,701
Reserve for dividends to policyholders	4,423	5,079	656
Agency accounts payable	5,663	4,631	(1,031)
Reinsurance accounts payable	990	1,005	14
Other liabilities	280,038	332,390	52,351
Reserve for bonus payments to directors	38	—	(38)
Reserve for retirement benefits	4,971	5,215	244
Reserve for possible reimbursement of prescribed claims	936	689	(246)
Reserves under the special laws:	9,969	10,453	483
Reserve for price fluctuation	9,969	10,453	483
Total liabilities	3,593,521	3,724,968	131,446
Net assets:			
Shareholders' equity:			
Common stock	17,250	17,250	—
Capital surplus	13,333	13,333	—
Retained earnings	95,477	91,699	(3,777)
Total shareholders' equity	126,060	122,283	(3,777)
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	18,664	(14,385)	(33,049)
Total valuation and translation adjustments	18,664	(14,385)	(33,049)
Total net assets	144,725	107,897	(36,827)
Total liabilities and net assets	3,738,246	3,832,866	94,619

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

Interim Statement of Income

(Millions of yen)

	Six months ended September 30, 2021 (April 1 to September 30, 2021)	Six months ended September 30, 2022 (April 1 to September 30, 2022)	Increase (Decrease)	Rate of change
	Amount	Amount		
Ordinary income:	240,827	251,896	11,068	4.6
Insurance premiums and other:	214,053	212,327	(1,725)	(0.8)
Insurance premiums	212,385	210,692	(1,692)	(0.8)
Investment income:	26,039	39,040	13,000	49.9
Interest and dividend income and other	24,191	27,038	2,846	11.8
Gains on sales of securities	318	7,165	6,846	2,151.2
Gains on derivatives	207	—	(207)	(100.0)
Investment gains on special account	889	—	(889)	(100.0)
Other ordinary income:	734	528	(206)	(28.1)
Ordinary expenses:	224,499	254,341	29,842	13.3
Insurance claims and other:	105,040	116,883	11,843	11.3
Insurance claims	18,743	18,851	107	0.6
Annuity payments	5,392	5,537	145	2.7
Insurance benefits	23,238	34,660	11,421	49.1
Surrender benefits	53,731	53,711	(19)	(0.0)
Other refunds	2,154	2,134	(20)	(1.0)
Provision for policy reserves and other:	71,131	79,013	7,881	11.1
Provision for reserve for outstanding claims	112	13,311	13,199	11,748.3
Provision for policy reserves	71,019	65,701	(5,318)	(7.5)
Provision for interest portion of reserve for dividends to policyholders	0	0	(0)	(3.2)
Investment expenses:	1,537	8,797	7,259	472.2
Interest paid	33	45	11	35.2
Losses on sales of securities	1,444	7,635	6,190	428.6
Losses on derivatives	—	846	846	—
Investment losses on special account	—	196	196	—
Operating expenses	44,759	47,371	2,611	5.8
Other ordinary expenses	2,029	2,275	246	12.1
Ordinary profit (loss)	16,328	(2,445)	(18,773)	(115.0)
Extraordinary gains:	0	—	(0)	(100.0)
Gains on disposal of fixed assets and other	0	—	(0)	(100.0)
Extraordinary losses:	441	483	41	9.5
Losses on disposal of fixed assets and other	11	0	(11)	(97.6)
Provision for reserves under the special laws:	430	483	53	12.4
Provision for reserve for price fluctuation	430	483	53	12.4
Provision for reserve for dividends to policyholders	1,792	2,229	436	24.3
Net income (loss) before income taxes	14,094	(5,157)	(19,252)	(136.6)
Income taxes	3,450	645	(2,804)	(81.3)
Deferred income taxes	567	(2,025)	(2,593)	(456.8)
Total income taxes	4,018	(1,380)	(5,398)	(134.4)
Net income (loss)	10,076	(3,777)	(13,853)	(137.5)

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, 2022				As of September 30, 2022			
	Number		Amount		Number		Amount	
		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year
Individual insurance	4,402	104.4	233,011	99.0	4,551	103.4	230,709	99.0
Individual annuities	50	96.6	2,160	96.8	49	98.8	2,126	98.4
Group insurance	—	—	27,000	99.4	—	—	26,870	99.5
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, %)

	Six months ended September 30, 2021 (April 1 to September 30, 2021)				Six months ended September 30, 2022 (April 1 to September 30, 2022)			
	Number		Amount		Number		Amount	
		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year
Individual insurance	135	115.6	9,796	100.4	260	192.1	8,710	88.9
Individual annuities	—	—	—	—	—	—	—	—
Group insurance	—	—	172	40.1	—	—	303	176.4
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, 2022		As of September 30, 2022	
		% of previous fiscal year		% of previous fiscal year
Individual insurance	367,324	100.4	369,298	100.5
Individual annuities	15,328	99.6	15,377	100.3
Total	382,652	100.4	384,676	100.5
Medical and survival benefits	173,730	107.6	181,246	104.3

New policies

(Millions of yen, %)

	Six months ended September 30, 2021 (April 1 to September 30, 2021)		Six months ended September 30, 2022 (April 1 to September 30, 2022)	
		% of previous fiscal year		% of previous fiscal year
Individual insurance	13,163	116.1	17,123	130.1
Individual annuities	—	—	—	—
Total	13,163	116.1	17,123	130.1
Medical and survival benefits	7,832	123.4	12,315	157.2

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, 2022	As of September 30, 2022
(A) Total Non-consolidated Solvency Margin	389,628	329,198
Capital, etc.	126,060	122,932
Reserve for price fluctuation	9,969	10,453
Contingency reserve	33,462	34,051
General allowance for possible credit losses	2	1
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)	23,330	(19,979)
Unrealized gains and losses on land (85% of gain or 100% of loss)	—	—
Excess amount of continued Zillmerized reserve	161,014	154,819
Subordinated debt, etc.	—	—
Excess amount of continued Zillmerized reserve and subordinated debt, etc. which are excluded from total solvency margin	—	(7,290)
Brought in capital, etc.	—	—
Deductions	—	—
Others	35,787	34,209
(B) Total Non-consolidated Risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	57,302	57,098
Underwriting risk (R_1)	14,226	14,071
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R_8)	11,935	12,561
Guaranteed interest rate risk (R_2)	8,427	8,421
Guaranteed minimum benefit risk (R_7)	400	400
Investment risk (R_3)	40,451	39,972
Business management risk (R_4)	1,508	1,508
(C) Non-consolidated Solvency Margin Ratio [(A) / {(B) × 1/2}] × 100	1,359.8 %	1,153.0 %

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 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
- E/I^(Note1) loss ratio = (Net claims paid + Reserve for outstanding losses and claims at the end of this period - Reserve for outstanding losses and claims at the end of the previous fiscal year + Loss adjustment expenses) / Net earned premiums^(Note2) × 100

Notes)

1. E/I loss ratio is calculated by excluding household earthquake insurance and compulsory automobile liability insurance.
 2. Net earned premiums = Net premiums written - Unearned premium at the end of this period + Unearned premium at the end of the previous fiscal year
- E/I Combined ratio = E/I loss ratio + 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 >

		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)
	Other Business (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 SOMPO Light Vortex Inc., Palantir Technologies Japan K.K., SOMPO Aux Inc., ABEJA Inc. and SS Trading Co., Ltd.
- 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 six months ended September 30, 2022 at Press Conference

Sompo Japan Insurance Inc. (Non-consolidated)

(1) Key figures

(Yen in hundred millions)

	Six months ended September 30, 2021	Fiscal year ended March 31, 2022	Six months ended September 30, 2022	Increase (Decrease)	Increase (Decrease)
	(A)	(B)	(C)	(C) - (B)	(C) - (A)
1 Net premiums written	11,057	21,587	11,620	—	563
Rate of change	1.1 %	0.8 %	5.1 %	4.3 %	4.0 %
2 Total assets	72,996	73,666	72,184	(1,481)	(811)
3 Loss ratio	57.8 %	59.8 %	58.2 %	(1.5)%	0.4 %
4 Operating expenses ratio	33.5 %	33.7 %	33.5 %	(0.3)%	(0.0)%
5 Combined ratio	91.3 %	93.5 %	91.7 %	(1.8)%	0.4 %
Underwriting result ratio	8.7 %	6.5 %	8.3 %	1.8 %	(0.4)%
6 Voluntary automobile insurance					
• Net premiums written	5,427	10,877	5,386	—	(41)
Rate of change	0.3 %	(0.2)%	(0.8)%	(0.6)%	(1.0)%
• Underwriting result ratio	12.5 %	10.9 %	8.7 %	(2.1)%	(3.7)%
• Loss ratio	54.6 %	56.0 %	57.8 %	1.8 %	3.2 %
• Operating expenses ratio	32.9 %	33.1 %	33.4 %	0.4 %	0.5 %
7 Fire and allied insurance					
• Net premiums written	1,587	3,276	2,188	—	600
Rate of change	4.7 %	6.9 %	37.9 %	30.9 %	33.2 %
• Underwriting result ratio	(16.3)%	(9.7)%	1.9 %	11.6 %	18.2 %
• Loss ratio	74.6 %	68.6 %	60.6 %	(8.0)%	(14.1)%
• Operating expenses ratio	41.7 %	41.2 %	37.6 %	(3.6)%	(4.2)%
8 Number of employees	22,819	22,537	22,106	(431)	(713)
9 Number of agencies	47,305	46,512	45,881	(631)	(1,424)

<Reference> Consolidated figures of Sompo Holdings, Inc.

(Yen in hundred millions)

	Six months ended September 30, 2021	Fiscal year ended March 31, 2022	Six months ended September 30, 2022	Increase (Decrease)	Increase (Decrease)
	(A)	(B)	(C)	(C) - (B)	(C) - (A)
1 Ordinary income	21,797	41,674	25,657	—	3,860
2 Net premiums written	17,017	32,157	21,032	—	4,014
Rate of change	8.5 %	10.0 %	23.6 %	13.6 %	15.1 %
3 Life insurance premiums written	1,579	3,251	1,568	—	(11)
Rate of change	(6.5)%	(6.1)%	(0.7)%	5.4 %	5.8 %
4 Ordinary profit	1,905	3,155	(236)	—	(2,142)
5 Net income attributable to shareholders of the parent	1,307	2,248	(200)	—	(1,507)

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, 2022 and the six months ended September 30, 2021, respectively.

Sompo Japan Insurance Inc. (Non-consolidated)

(2) Other figures

(a) Impairment losses on securities

(Yen in hundred millions)

	Six months ended September 30, 2021	Fiscal year ended March 31, 2022	Six months ended September 30, 2022
Domestic bonds	—	—	—
Domestic stocks	21	15	13
Foreign securities	0	3	—
Others	—	—	—
Total	21	18	13

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, and 0.4 billion yen for the six months ended September 30, 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, Sompo 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)

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

(c) Unrealized gains and losses on securities

(Yen in hundred millions)

	As of September 30, 2021	As of March 31, 2022	As of September 30, 2022
Domestic bonds	805	553	223
Domestic stocks	9,398	8,849	8,154
Foreign securities	1,507	1,431	859
Others	211	188	59
Total	11,923	11,021	9,296

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 3.6 billion yen as of September 30, 2021, 5.3 billion yen as of March 31, 2022 and 3.1 billion yen as of September 30, 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)

	Six months ended September 30, 2021	Fiscal year ended March 31, 2022	Six months ended September 30, 2022
Direct claims paid a	70	262	220
Net claims paid b	69	255	220
Unpaid claims c	195	489	796
Net incurred loss b + c	265	744	1,016

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	Six months ended September 30, 2021			Fiscal year ended March 31, 2022			Six months ended September 30, 2022		
	Balance	Balance ratio	Provision	Balance	Balance ratio	Provision	Balance	Balance ratio	Provision
Fire and allied insurance	1,128	35.6	292	1,146	35.0	585	1,402	32.1	419
Marine insurance	448	88.0	7	455	97.2	14	473	79.4	18
Personal accident insurance	790	47.6	26	812	53.6	48	827	48.7	27
Voluntary automobile insurance	887	8.2	176	1,063	9.8	352	1,162	10.8	174
Others	2,032	56.1	59	2,034	62.0	107	2,091	56.6	67
Total	5,286	26.7	562	5,512	28.4	1,109	5,958	28.2	707

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 and 2022, 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	Six months ended September 30, 2021		Six months ended September 30, 2022	
	Reinsurance premiums assumed	Reinsurance claims assumed	Reinsurance premiums assumed	Reinsurance claims assumed
Fire and allied insurance	203	84	278	82
Marine insurance	83	29	91	24
Personal accident insurance	5	2	5	3
Voluntary automobile insurance	0	0	0	0
Compulsory automobile liability insurance	744	779	656	717
Others	76	30	89	56
Total	1,114	927	1,121	884

(g) Reinsurance ceded

(Yen in hundred millions)

Business line	Six months ended September 30, 2021		Six months ended September 30, 2022	
	Reinsurance premiums ceded	Reinsurance claims ceded	Reinsurance premiums ceded	Reinsurance claims ceded
Fire and allied insurance	1,020	638	1,127	813
Marine insurance	78	30	104	19
Personal accident insurance	33	10	39	12
Voluntary automobile insurance	26	8	24	2
Compulsory automobile liability insurance	722	871	718	778
Others	468	129	514	123
Total	2,349	1,689	2,526	1,750