

May 19, 2023

## Sompo Holdings, Inc.

### Summary of Consolidated Financial Results for the fiscal year ended March 31, 2023 [Under Japanese GAAP]

Company Name: Sompo Holdings, Inc.  
Listed on: Tokyo Stock Exchange  
Securities Code: 8630  
URL: <https://www.sompo-hd.com/en/>  
Representative: Kengo Sakurada, Group CEO, Chairman and Representative Executive Officer  
Scheduled date to hold general meeting of stockholders: June 26, 2023  
Scheduled date to file Securities Report: June 23, 2023  
Scheduled date to start payment of dividends: June 27, 2023  
Supplementary information for financial statements: Yes  
Schedule for investor meeting: Yes (intended for institutional investors and analysts)

(Note) Amounts less than one million yen are rounded down.

#### 1. Consolidated Financial Results for the fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

##### (1) Consolidated Results of Operations

(Note) Percentages are changes from previous fiscal year.

	Ordinary income		Ordinary profit		Net income attributable to shareholders of the parent	
	millions of yen	%	millions of yen	%	millions of yen	%
Fiscal year ended March 31, 2023	4,607,134	10.5	122,530	(61.2)	91,156	(59.5)
Fiscal year ended March 31, 2022	4,167,496	8.4	315,512	46.7	224,842	57.8
Reference) Comprehensive income:	Fiscal year ended March 31, 2023		(32,648) million yen		— %	
	Fiscal year ended March 31, 2022		143,823 million yen		(71.9) %	

	Net income per share	Diluted net income per share	Return on equity	Ordinary profit to total assets	Ordinary profit to ordinary income
	yen	yen	%	%	%
Fiscal year ended March 31, 2023	270.64	270.53	4.7	0.9	2.7
Fiscal year ended March 31, 2022	644.24	643.86	11.1	2.3	7.6

Reference) Investment gains and losses on the equity method: Fiscal year ended March 31, 2023 (1,844) million yen  
Fiscal year ended March 31, 2022 (5,675) million yen

##### (2) Consolidated Financial Conditions

	Total assets	Net assets	Equity ratio	Net assets per share
	millions of yen	millions of yen	%	yen
As of March 31, 2023	14,460,232	1,868,902	12.8	5,566.64
As of March 31, 2022	13,787,835	2,040,789	14.7	5,919.73

Reference) Equity capital: As of March 31, 2023 1,854,157 million yen  
As of March 31, 2022 2,028,118 million yen

##### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
	millions of yen	millions of yen	millions of yen	millions of yen
Fiscal year ended March 31, 2023	448,892	(324,634)	(92,364)	1,271,040
Fiscal year ended March 31, 2022	600,021	(348,540)	(170,108)	1,207,306

## 2. Dividends

	Dividends per share					Total annual dividends	Dividend payout ratio (Consolidated)	Dividends on net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Annual			
	yen	yen	yen	yen	yen	millions of yen	%	%
Fiscal year ended March 31, 2022	—	105.00	—	105.00	210.00	72,785	32.6	3.6
Fiscal year ended March 31, 2023	—	130.00	—	130.00	260.00	87,153	96.1	4.5
Fiscal year ending March 31, 2024 (Forecast)	—	150.00	—	150.00	300.00		43.4	

## 3. Forecasts of Consolidated Financial Results for the fiscal year ending March 31, 2024 (April 1, 2023 to March 31, 2024)

Note) Percentages are changes from previous fiscal year.

	Ordinary profit		Net income attributable to shareholders of the parent		Net income per share
	millions of yen	%	millions of yen	%	yen
Full year	322,000	162.8	230,000	152.3	690.51

### (Notes)

- (1) Changes in significant subsidiaries during the fiscal year ended March 31, 2023 (changes in specified subsidiaries resulting in changes in the scope of consolidation): Yes  
Increase: 1 (Company Name: Sompo Consumer Seguradora S.A.)
- (2) Changes in accounting policies, changes in accounting estimations, and retrospective restatements
- (a) Changes in accounting policies due to revisions to accounting standards, etc.: Yes
- (b) Changes in accounting policies due to reasons other than the above: None
- (c) Changes in accounting estimations: None
- (d) Retrospective restatements: None
- (3) Number of shares outstanding (Common stock) :
- (a) Total shares outstanding including treasury stock:
- As of March 31, 2023 347,698,689 shares
- As of March 31, 2022 347,698,689 shares
- (b) Treasury stock:
- As of March 31, 2023 14,615,082 shares
- As of March 31, 2022 5,096,040 shares
- (c) Average number of shares outstanding:
- For the fiscal year ended March 31, 2023 336,818,131 shares
- For the fiscal year ended March 31, 2022 348,999,367 shares

### (Expression of implementation status of audit procedures)

This summary is not subject to audits by a certified public accountant or an incorporated accounting firm.

### (Notes for using forecasted information, etc.)

The forecasts included in this document are based on the currently available information and certain assumptions that we believe reasonable. Accordingly, the actual results, etc. may differ materially from those projected herein depending on various factors.

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## Overview of Results of Operations

### (1) Overview of Results of Operations for the fiscal year ended March 31, 2023

During the fiscal year ended March 31, 2023, the global economy continued to recover at a moderate pace as the economic impact of COVID-19 diminished. However, downside risks to global growth increased, including the impact of elevated inflation and monetary tightening on overall consumption and capital expenditure, uncertainties about the situation in Ukraine, etc.

Economic and social activities in Japan returned to normality, consumer spending and capital expenditure recovered in the era with COVID-19, and aggregate corporate profits increased. Still, it is necessary to pay close attention to downside risks, including inflation, supply constraints, and financial market fluctuations.

Under these circumstances, the consolidated financial results of Sompo Holdings Group (“SOMPO HOLDINGS”) for the fiscal year ended March 31, 2023 were as follows:

Ordinary income increased by 439.6 billion yen to 4,607.1 billion yen compared to the previous fiscal year, the components of which were underwriting income of 4,090.7 billion yen, investment income of 325.7 billion yen and other ordinary income of 190.7 billion yen. Meanwhile, ordinary expenses increased by 632.6 billion yen to 4,484.6 billion yen compared to the previous fiscal year, the components of which were underwriting expenses of 3,597.9 billion yen, investment expenses of 113.7 billion yen, operating, general and administrative expenses of 598.4 billion yen and other ordinary expenses of 174.3 billion yen.

As a result of the foregoing, Sompo Holdings, Inc. (the “Company”) reported ordinary profit, calculated as ordinary income minus ordinary expenses, of 122.5 billion yen, a decrease of 192.9 billion yen from the previous fiscal year. The Company posted net income attributable to shareholders of the parent, after extraordinary items, net of income taxes and deferred income taxes and others, of 91.1 billion yen, a decrease of 133.6 billion yen from the previous fiscal year.

Business results for each of the SOMPO HOLDINGS’ reporting segments were as follows:

#### (a) Domestic P&C insurance business

In the domestic P&C insurance business, net premiums written amounted to 2,290.5 billion yen, an increase of 73.4 billion yen from the previous fiscal year. The domestic P&C insurance business posted net income attributable to shareholders of the parent of 55.0 billion yen, a decrease of 83.2 billion yen from the previous fiscal year.

#### (b) Overseas insurance business

In the overseas insurance business, net premiums written amounted to 1,380.1 billion yen, an increase of 381.5 billion yen from the previous fiscal year. Net income attributable to shareholders of the parent increased by 5.8 billion yen to a net income of 48.0 billion yen compared to the previous fiscal year.

#### (c) Domestic life insurance business

In the domestic life insurance business, life insurance premiums written amounted to 310.8 billion yen, a decrease of 7.6 billion yen from the previous fiscal year. The domestic life insurance business posted net income attributable to shareholders of the parent of 1.0 billion yen, a decrease of 14.9 billion yen from the previous fiscal year.

#### (d) Nursing care & seniors business

Ordinary income increased by 15.0 billion yen to 151.6 billion yen compared to the previous fiscal year. Net income attributable to shareholders of the parent decreased by 0.5 billion yen to a net income of 0.7 billion yen compared to the previous fiscal year.

### (2) Overview of Financial Condition as of March 31, 2023

Total assets as of March 31, 2023 amounted to 14,460.2 billion yen on a consolidated basis, an increase of 672.3 billion yen from March 31, 2022. Total net assets as of March 31, 2023 amounted to 1,868.9 billion yen on a consolidated basis, a decrease of 171.8 billion yen from March 31, 2022.

Cash flows for the fiscal year ended March 31, 2023 were as follows:

Cash flows from operating activities resulted in a net inflow of 448.8 billion yen, a decrease of 151.1 billion yen from the previous fiscal year.

Cash flows from investing activities resulted in a net outflow of 324.6 billion yen, an increase of 23.9 billion yen from the previous fiscal year.

Cash flows from financing activities resulted in a net outflow of 92.3 billion yen, an increase of 77.7 billion yen from the previous fiscal year.

As a result, cash and cash equivalents at the end of the period were 1,271.0 billion yen, an increase of 63.7 billion yen from the end of the previous fiscal year.

### (3) Outlook for the fiscal year ending March 31, 2024

For the fiscal year ending March 31, 2024, the Company is forecasting consolidated ordinary profit of 322.0 billion yen and net income attributable to shareholders of the parent of 230.0 billion yen, based on the following assumptions:

- 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 98.0 billion yen for net incurred losses (excluding household earthquake insurance) of Sompo Japan Insurance Inc. due to domestic natural disasters that occur in the fiscal year ending March 31, 2024, taking into account past trends and other factors.
- The Company assumes no major change in market interest rates, exchange rates and stock prices from their levels at March 31, 2023.

The above forecasts were prepared based on information available as of the date of this release. Accordingly, actual results may differ materially from projections depending on various factors.

### **Basic Approach to Selection of Accounting Standard**

SOMPO HOLDINGS is considering the adoption of International Financial Reporting Standards (IFRS). As part of this process, SOMPO HOLDINGS is implementing measures such as examining company guidelines and building infrastructure.

SOMPO HOLDINGS plans to determine the timing of adoption based on the influences surrounding accounting standards for insurance contracts (IFRS 17) and other factors.

**Consolidated Financial Statements and Major Notes****(1) Consolidated Balance Sheet**

	(Millions of yen)	
	As of March 31, 2022	As of March 31, 2023
<b>Assets:</b>		
Cash and deposits	1,170,892	1,246,638
Receivables under resale agreements	73,999	69,999
Monetary receivables bought	20,104	21,915
Money trusts	20,815	21,236
Securities	9,542,035	9,808,182
Loans	536,132	484,145
Tangible fixed assets:	353,438	360,882
Land	114,278	112,957
Buildings	132,446	137,542
Leased assets	64,381	64,935
Construction in progress	12,618	15,875
Other tangible fixed assets	29,713	29,571
Intangible fixed assets:	428,266	543,122
Software	108,110	99,161
Goodwill	151,012	197,729
Other intangible fixed assets	169,143	246,232
Other assets	1,618,878	1,816,820
Net defined benefit asset	179	230
Deferred tax assets	31,741	98,173
Allowance for possible credit losses	(8,649)	(11,114)
<b>Total assets</b>	<b>13,787,835</b>	<b>14,460,232</b>
<b>Liabilities:</b>		
Underwriting funds:	9,445,446	10,118,934
Reserve for outstanding losses and claims	1,959,817	2,382,382
Underwriting reserves	7,485,628	7,736,552
Corporate bonds	539,742	609,051
Other liabilities	1,536,282	1,642,946
Net defined benefit liability	69,767	59,235
Reserve for retirement benefits to directors	9	16
Reserve for bonus payments	41,814	42,488
Reserve for bonus payments to directors	767	487
Reserve for stocks payments	2,401	2,669
Reserves under the special laws:	105,389	110,858
Reserve for price fluctuation	105,389	110,858
Deferred tax liabilities	5,424	4,642
<b>Total liabilities</b>	<b>11,747,045</b>	<b>12,591,329</b>

(Millions of yen)

As of March 31, 2022 As of March 31, 2023

## Net assets:

Shareholders' equity:		
Common stock	100,045	100,045
Capital surplus	134,962	134,708
Retained earnings	1,028,109	1,035,772
Treasury stock	(24,965)	(82,145)
Total shareholders' equity	1,238,152	1,188,381
Accumulated other comprehensive income:		
Unrealized gains and losses on securities available for sale	838,843	587,917
Deferred gains and losses on hedges	3,429	2,412
Foreign currency translation adjustments	(68,911)	54,890
Remeasurements of defined benefit plans	16,605	20,555
Total accumulated other comprehensive income	789,966	665,776
Stock acquisition rights	446	269
Non-controlling interests	12,224	14,475
Total net assets	2,040,789	1,868,902
Total liabilities and net assets	13,787,835	14,460,232

## (2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

## Consolidated Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)	Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)
Ordinary income:	4,167,496	4,607,134
Underwriting income:	3,656,896	4,090,702
Net premiums written	3,215,713	3,670,717
Deposits of premiums by policyholders	81,009	70,773
Interest and dividend income on deposits of premiums, etc.	30,944	30,159
Life insurance premiums written	325,183	316,752
Other underwriting income	4,045	2,299
Investment income:	338,496	325,711
Interest and dividend income	215,785	241,475
Investment gains on money trusts	1,353	3,105
Investment gains on trading securities	853	2,200
Gains on sales of securities	112,354	75,524
Gains on redemption of securities	4,836	2,389
Investment gains on special account	1,767	1,430
Other investment income	32,491	29,744
Transfer of interest and dividend income on deposits of premiums, etc.	(30,944)	(30,159)
Other ordinary income:	172,103	190,720
Other ordinary income	172,103	190,720
Ordinary expenses:	3,851,984	4,484,604
Underwriting expenses:	3,099,481	3,597,988
Net claims paid	1,584,397	1,947,647
Loss adjustment expenses	132,036	135,859
Net commissions and brokerage fees	632,667	703,159
Maturity refunds to policyholders	190,527	181,722
Dividends to policyholders	28	7
Life insurance claims paid and other payments	100,557	132,543
Provision for reserve for outstanding losses and claims	252,510	322,801
Provision for underwriting reserves	203,433	164,048
Other underwriting expenses	3,322	10,197
Investment expenses:	37,383	113,781
Investment losses on money trusts	45	2
Losses on sales of securities	11,869	58,653
Impairment losses on securities	5,966	12,325
Losses on redemption of securities	4	—
Losses on derivatives	15,368	28,121
Other investment expenses	4,129	14,678
Operating, general and administrative expenses	570,387	598,472
Other ordinary expenses:	144,731	174,363
Interest paid	14,960	15,966
Provision for allowance for possible credit losses	1,915	4,852
Losses on bad debt	108	77
Investment losses on the equity method	5,675	1,844
Other ordinary expenses	122,071	151,622
Ordinary profit	315,512	122,530



(Millions of yen)

	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)	Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)
Extraordinary gains:	15,364	8,957
Gains on disposal of fixed assets	15,364	8,957
Extraordinary losses:	13,243	8,078
Losses on disposal of fixed assets	5,670	2,371
Impairment losses	2,396	148
Provision for reserves under the special laws:	5,176	5,469
Provision for reserve for price fluctuation	5,176	5,469
Losses on reduction of real estate	—	88
Net income before income taxes	317,632	123,409
Income taxes	123,161	32,237
Deferred income taxes	(32,139)	(1,759)
Total income taxes	91,022	30,477
Net income	226,610	92,931
Net income attributable to non-controlling interests	1,767	1,774
Net income attributable to shareholders of the parent	224,842	91,156

## Consolidated Statement of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)	Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)
Net income	226,610	92,931
Other comprehensive income:		
Unrealized gains and losses on securities available for sale	(159,488)	(251,113)
Deferred gains and losses on hedges	(977)	(1,016)
Foreign currency translation adjustments	71,828	122,626
Remeasurements of defined benefit plans	5,755	3,971
Share of other comprehensive income of affiliates accounted for under the equity method	94	(47)
Total other comprehensive income	<u>(82,787)</u>	<u>(125,580)</u>
Comprehensive income	<u>143,823</u>	<u>(32,648)</u>
(Comprehensive income attributable to)		
Comprehensive income attributable to shareholders of the parent	142,847	(33,206)
Comprehensive income attributable to non-controlling shareholders	976	557

(3) Consolidated Statement of Changes in Net Assets  
Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	100,045	244,060	876,066	(73,772)	1,146,399
Changes during the period:					
Dividends			(68,747)		(68,747)
Net income attributable to shareholders of the parent			224,842		224,842
Acquisition of treasury stock				(60,430)	(60,430)
Disposal of treasury stock		(10)		150	139
Cancellation of treasury stock		(109,087)		109,087	—
Changes in the scope of consolidation			(4,052)		(4,052)
Net changes in items other than shareholders' equity					
Total changes during the period	—	(109,097)	152,043	48,807	91,752
Balance at the end of the period	100,045	134,962	1,028,109	(24,965)	1,238,152

	Accumulated other comprehensive income					Stock acquisition rights	Non-controlling interests	Total net assets
	Unrealized gains and losses on securities available for sale	Deferred gains and losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the period	997,904	4,406	(141,211)	10,862	871,961	467	12,340	2,031,168
Changes during the period:								
Dividends								(68,747)
Net income attributable to shareholders of the parent								224,842
Acquisition of treasury stock								(60,430)
Disposal of treasury stock								139
Cancellation of treasury stock								—
Changes in the scope of consolidation								(4,052)
Net changes in items other than shareholders' equity	(159,061)	(977)	72,299	5,743	(81,995)	(20)	(115)	(82,132)
Total changes during the period	(159,061)	(977)	72,299	5,743	(81,995)	(20)	(115)	9,620
Balance at the end of the period	838,843	3,429	(68,911)	16,605	789,966	446	12,224	2,040,789

## Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	100,045	134,962	1,028,109	(24,965)	1,238,152
Effect of hyperinflation			(4,225)		(4,225)
Adjusted beginning balance	100,045	134,962	1,023,883	(24,965)	1,233,926
Changes during the period:					
Dividends			(79,816)		(79,816)
Net income attributable to shareholders of the parent			91,156		91,156
Acquisition of treasury stock				(58,026)	(58,026)
Disposal of treasury stock		(253)		846	592
Changes in the scope of consolidation			547		547
Net changes in items other than shareholders' equity					
Total changes during the period	—	(253)	11,888	(57,179)	(45,545)
Balance at the end of the period	100,045	134,708	1,035,772	(82,145)	1,188,381

	Accumulated other comprehensive income					Stock acquisition rights	Non-controlling interests	Total net assets
	Unrealized gains and losses on securities available for sale	Deferred gains and losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the period	838,843	3,429	(68,911)	16,605	789,966	446	12,224	2,040,789
Effect of hyperinflation								(4,225)
Adjusted beginning balance	838,843	3,429	(68,911)	16,605	789,966	446	12,224	2,036,564
Changes during the period:								
Dividends								(79,816)
Net income attributable to shareholders of the parent								91,156
Acquisition of treasury stock								(58,026)
Disposal of treasury stock								592
Changes in the scope of consolidation								547
Net changes in items other than shareholders' equity	(250,925)	(1,016)	123,802	3,950	(124,189)	(177)	2,251	(122,115)
Total changes during the period	(250,925)	(1,016)	123,802	3,950	(124,189)	(177)	2,251	(167,661)
Balance at the end of the period	587,917	2,412	54,890	20,555	665,776	269	14,475	1,868,902

## (4) Consolidated Statement of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)	Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)
Cash flows from operating activities:		
Net income before income taxes	317,632	123,409
Depreciation	53,932	51,591
Impairment losses	2,396	148
Amortization of goodwill	26,536	30,277
Increase (decrease) in reserve for outstanding losses and claims	233,362	314,074
Increase (decrease) in underwriting reserves	194,259	167,566
Increase (decrease) in allowance for possible credit losses	(103)	1,591
Increase (decrease) in net defined benefit liability	(3,197)	(5,931)
Increase (decrease) in reserve for retirement benefits to directors	(26)	6
Increase (decrease) in reserve for bonus payments	10,296	(3,792)
Increase (decrease) in reserve for bonus payments to directors	(322)	(302)
Increase (decrease) in reserve for stocks payments	654	796
Increase (decrease) in reserve for price fluctuation	5,176	5,469
Interest and dividend income	(215,785)	(241,475)
Losses (gains) on investment in securities	(99,350)	(6,931)
Interest expenses	14,960	15,966
Foreign exchange losses (gains)	(29,474)	(28,522)
Losses (gains) related to tangible fixed assets	(9,706)	(6,496)
Losses (gains) related to loans	0	743
Investment losses (gains) on the equity method	5,675	1,844
Decrease (increase) in other assets (other than investing and financing activities)	(72,763)	(18,137)
Increase (decrease) in other liabilities (other than investing and financing activities)	65,410	(80,600)
Others	21,201	32,748
Subtotal	520,767	354,043
Interest and dividend received	201,430	231,330
Interest paid	(15,506)	(16,372)
Income taxes paid	(106,671)	(120,109)
Cash flows from operating activities	600,021	448,892

(Millions of yen)

	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)	Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)
Cash flows from investing activities:		
Net decrease (increase) in deposits	10,079	(9,072)
Purchase of monetary receivables bought	(2,884)	(2,187)
Proceeds from sales and redemption of monetary receivables bought	4,183	1,776
Increase in money trusts	(20)	(3,000)
Decrease in money trusts	9,790	3,634
Purchase of securities	(1,944,183)	(2,157,767)
Proceeds from sales and redemption of securities	1,496,848	1,905,741
Loans made	(106,430)	(127,178)
Collection of loans	204,982	173,989
Net increase (decrease) in receivables under securities borrowing transactions and payables under securities lending transactions	47,624	168,818
Others	(25,433)	(135,637)
Total of investment transactions	(305,442)	(180,882)
Total of operating activities and investment transactions as above	294,578	268,009
Acquisition of tangible fixed assets	(21,497)	(24,142)
Proceeds from sales of tangible fixed assets	22,716	13,365
Acquisition of stocks of subsidiaries resulting in changes in the scope of consolidation	—	(64,931)
Sales of stocks of subsidiaries resulting in changes in the scope of consolidation	—	3,329
Payments for sales of stocks of subsidiaries resulting in changes in the scope of consolidation	—	(19,538)
Others	(44,316)	(51,835)
Cash flows from investing activities	(348,540)	(324,634)
Cash flows from financing activities:		
Repayments of borrowings	(30,482)	(16,288)
Issuance of corporate bonds	—	227,000
Redemption of corporate bonds	—	(173,370)
Net increase (decrease) in payables under securities lending transactions	673	21,353
Proceeds from sales of treasury stock	2	115
Acquisition of treasury stock	(60,430)	(58,026)
Dividends paid	(68,657)	(79,718)
Dividends paid to non-controlling shareholders	(839)	(1,081)
Others	(10,374)	(12,348)
Cash flows from financing activities	(170,108)	(92,364)
Effect of exchange rate changes on cash and cash equivalents	1,735	30,764
Increase (decrease) in cash and cash equivalents	83,107	62,657
Cash and cash equivalents at the beginning of the period	1,117,770	1,207,306
Increase in cash and cash equivalents resulting from newly consolidated subsidiaries	6,429	1,075
Cash and cash equivalents at the end of the period	1,207,306	1,271,040

(5) Notes on Going-Concern Assumption

None.

(6) Changes in Accounting Policies, Changes in Accounting Estimations, and Retrospective Restatements

(Changes in Accounting Policies)

Application of “Implementation Guidance on Accounting Standard for Fair Value Measurement”

The Company has applied “Implementation Guidance on Accounting Standard for Fair Value Measurement” (Accounting Standards Board of Japan (ASBJ) Guidance No.31, June 17, 2021) from the beginning of the fiscal year 2022 and the new accounting policy specified in “Implementation Guidance on Accounting Standard for Fair Value Measurement” for the future in accordance with the transitional treatment based on Paragraph 27-2 of “Implementation Guidance on Accounting Standard for Fair Value Measurement.”

In addition, the effect on Consolidated Financial Statements is immaterial.

## (7) Notes to the Consolidated Financial Statements

## (Segment information, etc.)

## [Segment information]

## 1. Summary of reportable segments

The reportable segment of Sompo Holdings, Inc. ("the Company") is the component of SOMPO HOLDINGS, for which discrete financial information is available and whose operating results are periodically reviewed by the board of directors to make decisions about resources to be allocated to the segment and assess its performance.

The respective group companies of the Company determine their comprehensive strategies for their operations as independent management unit and roll out their operations under the group-wide management policy of the Company.

Therefore, the Company is composed of business segments, which consist of the respective group companies as minimum component. "Domestic P&C insurance business," "Overseas insurance business," "Domestic life insurance business" and "Nursing care & seniors business" are determined as the reportable segments. The businesses not covered by the reportable segments, such as the Company, extended warranty business, digital related business, asset management business, etc., are included in "Others." "Domestic P&C insurance business" consists mainly of underwriting of property and casualty insurance, investment, and related activities in Japan, "Overseas insurance business" consists mainly of underwriting of property and casualty insurance and investment activities overseas, "Domestic life insurance business" consists mainly of underwriting of life insurance and investment activities in Japan, and "Nursing care & seniors business" consists mainly of providing nursing care and related services.

## 2. Calculation methods for the amount of sales, income or loss, assets and other items by each reportable segment

The accounting methods of reportable business segments are those used in the preparation of the consolidated financial statements. Income or loss attributable to the reportable segments is the amounts based on net income attributable to shareholders of the parent in the consolidated statement of income.

Income from internal transactions among segments is based on the price of transactions among third parties and others.

## (Application of "Implementation Guidance on Accounting Standard for Fair Value Measurement")

As described in "(6) Changes in Accounting Policies, Changes in Accounting Estimations, and Retrospective Restatements", the Company applied "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No.31, June 17, 2021) from the beginning of the fiscal year 2022.

The effect of this change on segment income (loss) for the fiscal year ended March 31, 2023 is immaterial.



## 3. Information related to the amount of sales, income or loss, assets and other items by each reportable segment

Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(Millions of yen)

	Reportable segments					Others (Note 2)	Total	Adjustments (Note 3)	Amount on the consolidated financial statements (Note 4)
	Domestic P&C insurance business	Overseas insurance business	Domestic life insurance business	Nursing care & seniors business	Total				
Sales (Note 1):									
Sales from transactions with external customers	2,217,148	1,005,247	318,501	136,661	3,677,558	89,999	3,767,558	399,938	4,167,496
Sales from internal transactions or transfers among segments	—	—	—	1	1	16,559	16,560	(16,560)	—
Total	2,217,148	1,005,247	318,501	136,663	3,677,560	106,558	3,784,118	383,377	4,167,496
Segment income	138,288	42,168	15,949	1,367	197,773	27,069	224,842	—	224,842
Segment assets	6,385,083	3,232,407	3,716,323	163,731	13,497,544	290,290	13,787,835	—	13,787,835
Other items:									
Depreciation	25,889	21,402	497	5,134	52,923	1,009	53,932	—	53,932
Amortization of goodwill	11	21,716	—	4,807	26,536	—	26,536	—	26,536
Interest and dividend income	117,041	49,601	49,447	96	216,187	402	216,589	(804)	215,785
Interest paid	7,022	5,676	59	2,203	14,961	0	14,962	(2)	14,960
Investment gains (losses) on the equity method	73	888	—	—	961	(6,637)	(5,675)	—	(5,675)
Extraordinary gains (Note 5)	15,149	213	0	—	15,364	0	15,364	—	15,364
Extraordinary losses (Note 6)	11,307	937	956	7	13,209	34	13,243	—	13,243
Impairment losses	1,650	745	—	—	2,396	—	2,396	—	2,396
Income tax expenses	45,902	18,871	6,414	3,364	74,554	16,468	91,022	—	91,022
Investment in affiliates accounted for under the equity method	1,484	9,919	—	—	11,403	13,106	24,509	—	24,509
Increase in tangible and intangible fixed assets	55,199	8,035	2,440	4,362	70,036	988	71,025	—	71,025

## Notes)

## 1. Sales amounts represent the following:

Domestic P&C insurance business:	Net premiums written
Overseas insurance business:	Net premiums written and life insurance premiums written
Domestic life insurance business:	Life insurance premiums written
Nursing care & seniors business:	Ordinary income
“Others” and amount on the consolidated financial statements:	Ordinary income

2. “Others” is business segments which are not included in reportable segments. It includes the Company (insurance holding company), extended warranty business, asset management business, defined-contribution pension business, etc.

3. Adjustments of sales are as follows.

Ordinary income related to domestic P&C insurance business, overseas insurance business and domestic life insurance business excluding net premiums written and life insurance premiums written:	399,938 million yen
Elimination of internal transactions among segments:	(16,560) million yen

4. Segment income is adjusted to net income attributable to shareholders of the parent in the consolidated statement of income.

5. Extraordinary gains for domestic P&C insurance business are 15,149 million yen of gains on disposal of fixed assets.

6. Extraordinary losses for domestic P&C insurance business include 5,404 million yen of losses on disposal of fixed assets and 4,251 million yen of provision for reserve for price fluctuation.

Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reportable segments					Others (Note 2)	Total	Adjustments (Note 3)	Amount on the consolidated financial statements (Note 4)
	Domestic P&C insurance business	Overseas insurance business	Domestic life insurance business	Nursing care & seniors business	Total				
Sales (Note 1):									
Sales from transactions with external customers	2,290,596	1,386,039	310,834	151,646	4,139,117	36,801	4,175,919	431,215	4,607,134
Sales from internal transactions or transfers among segments	—	—	—	36	36	18,374	18,411	(18,411)	—
Total	2,290,596	1,386,039	310,834	151,683	4,139,154	55,176	4,194,330	412,804	4,607,134
Segment income (loss)	55,084	48,032	1,006	793	104,916	(13,759)	91,156	—	91,156
Segment assets	5,899,190	4,047,692	3,925,327	265,241	14,137,450	322,781	14,460,232	—	14,460,232
Other items:									
Depreciation	26,367	18,143	654	5,498	50,663	927	51,591	—	51,591
Amortization of goodwill	—	25,003	—	5,274	30,277	—	30,277	—	30,277
Interest and dividend income	117,484	68,533	55,068	93	241,180	1,312	242,492	(1,016)	241,475
Interest paid	7,592	6,112	150	2,117	15,973	1	15,975	(8)	15,966
Investment gains (losses) on the equity method	83	877	—	—	960	(2,805)	(1,844)	—	(1,844)
Extraordinary gains (Note 5)	5,854	3,099	3	—	8,957	—	8,957	—	8,957
Extraordinary losses (Note 6)	6,228	610	1,004	198	8,043	35	8,078	—	8,078
Impairment losses	148	—	—	—	148	—	148	—	148
Income tax expenses	15,728	14,473	591	2,226	33,020	(2,542)	30,477	—	30,477
Investment in affiliates accounted for under the equity method	1,564	16,598	—	—	18,163	21,915	40,079	—	40,079
Increase in tangible and intangible fixed assets	67,009	7,443	2,586	94,422	171,460	1,366	172,827	—	172,827

## Notes)

## 1. Sales amounts represent the following:

Domestic P&C insurance business:	Net premiums written
Overseas insurance business:	Net premiums written and life insurance premiums written
Domestic life insurance business:	Life insurance premiums written
Nursing care & seniors business:	Ordinary income
“Others” and amount on the consolidated financial statements:	Ordinary income

2. “Others” is business segments which are not included in reportable segments. It includes the Company (insurance holding company), extended warranty business, digital related business, asset management business, etc.

3. Adjustments of sales are as follows.

Ordinary income related to domestic P&C insurance business, overseas insurance business and domestic life insurance business excluding net premiums written and life insurance premiums written:	431,215 million yen
Elimination of internal transactions among segments:	(18,411) million yen

4. Segment income (loss) is adjusted to net income attributable to shareholders of the parent in the consolidated statement of income.

5. Extraordinary gains for domestic P&C insurance business are 5,854 million yen of gains on disposal of fixed assets.

Also, extraordinary gains for overseas insurance business are 3,099 million yen of gains on disposal of fixed assets.

6. Extraordinary losses for domestic P&C insurance business include 4,480 million yen of provision for reserve for price fluctuation.

[Related information]

Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

## 1. Information by products and services

(Millions of yen)

	Fire and allied insurance	Marine insurance	Personal accident insurance	Voluntary automobile insurance	Compulsory automobile liability insurance	Others	Total
Net premiums written	524,266	92,493	156,850	1,217,232	217,261	1,007,609	3,215,713

(Millions of yen)

	Individual insurance	Individual annuities	Group insurance	Group annuities	Total
Life insurance premiums written	304,713	4,150	16,319	—	325,183

## 2. Information by geographic area

## (1) Sales

(Millions of yen)

Japan	United States	Others	Total
2,624,841	604,567	448,149	3,677,558

Notes)

1. Sales represent amounts of net premiums written, life insurance premiums written and ordinary income of nursing care & seniors business.
2. Geographic area is classified into country or region in line with the classification used for management purpose mainly based on locations of customers.

## (2) Tangible fixed assets

(Millions of yen)

Japan	Overseas	Total
318,849	34,588	353,438

## 3. Information by major customers

None.

Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

## 1. Information by products and services

(Millions of yen)

	Fire and allied insurance	Marine insurance	Personal accident insurance	Voluntary automobile insurance	Compulsory automobile liability insurance	Others	Total
Net premiums written	627,013	117,017	159,745	1,263,943	211,113	1,291,883	3,670,717

(Millions of yen)

	Individual insurance	Individual annuities	Group insurance	Group annuities	Total
Life insurance premiums written	297,639	3,740	15,372	—	316,752

## 2. Information by geographic area

## (1) Sales

(Millions of yen)

Japan	United States	Others	Total
2,692,663	827,396	619,057	4,139,117

Notes)

1. Sales represent amounts of net premiums written, life insurance premiums written and ordinary income of nursing care & seniors business.
2. Geographic area is classified into country or region in line with the classification used for management purpose mainly based on locations of customers.

## (2) Tangible fixed assets

(Millions of yen)

Japan	Overseas	Total
323,965	36,917	360,882

## 3. Information by major customers

None.

[Information related to impairment losses on fixed assets by reportable segments]

Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(Millions of yen)

	Reportable segments					Others	Unallocated amounts and eliminations	Total
	Domestic P&C insurance business	Overseas insurance business	Domestic life insurance business	Nursing care & seniors business	Total			
Impairment losses	1,650	745	—	—	2,396	—	—	2,396

Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reportable segments					Others	Unallocated amounts and eliminations	Total
	Domestic P&C insurance business	Overseas insurance business	Domestic life insurance business	Nursing care & seniors business	Total			
Impairment losses	148	—	—	—	148	—	—	148

[Information related to amortization of goodwill and balance of goodwill by reportable segments]

Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(Millions of yen)

	Reportable segments					Others	Unallocated amounts and eliminations	Total
	Domestic P&C insurance business	Overseas insurance business	Domestic life insurance business	Nursing care & seniors business	Total			
Amortization for the fiscal year ended March 31, 2022	11	21,716	—	4,807	26,536	—	—	26,536
Balance as of March 31, 2022	—	124,645	—	26,366	151,012	—	—	151,012

Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reportable segments					Others	Unallocated amounts and eliminations	Total
	Domestic P&C insurance business	Overseas insurance business	Domestic life insurance business	Nursing care & seniors business	Total			
Amortization for the fiscal year ended March 31, 2023	—	25,003	—	5,274	30,277	—	—	30,277
Balance as of March 31, 2023	—	118,746	—	78,983	197,729	—	—	197,729

[Information related to gains on negative goodwill by reportable segments]

None.

## (Securities)

## 1. Trading Securities

(Millions of yen)

	As of March 31, 2022		As of March 31, 2023	
	Carrying amount	Unrealized gains and losses recognized in statement of income	Carrying amount	Unrealized gains and losses recognized in statement of income
Trading securities	32,584	1,639	39,573	2,635

## 2. Bonds held to maturity

(Millions of yen)

		As of March 31, 2022			As of March 31, 2023		
		Carrying amount	Fair value	Unrealized gains and losses	Carrying amount	Fair value	Unrealized gains and losses
Securities whose fair value exceeds their carrying amount	Domestic bonds	1,086,043	1,295,977	209,934	1,076,224	1,231,876	155,652
	Foreign securities	19,545	25,851	6,305	6,477	6,566	89
	Subtotal	1,105,589	1,321,829	216,239	1,082,701	1,238,442	155,741
Securities whose fair value does not exceed their carrying amount	Domestic bonds	118,674	111,662	(7,011)	132,414	114,851	(17,563)
	Foreign securities	2,975	2,942	(32)	6,368	6,226	(142)
	Subtotal	121,649	114,605	(7,043)	138,783	121,077	(17,705)
Total		1,227,238	1,436,434	209,195	1,221,484	1,359,520	138,036

## 3. Policy reserve matching bonds

(Millions of yen)

		As of March 31, 2022			As of March 31, 2023		
		Carrying amount	Fair value	Unrealized gains and losses	Carrying amount	Fair value	Unrealized gains and losses
Securities whose fair value exceeds their carrying amount	Domestic bonds	244,471	261,774	17,303	187,245	198,839	11,593
Securities whose fair value does not exceed their carrying amount	Domestic bonds	722,025	672,562	(49,462)	1,223,159	1,110,309	(112,849)
Total		966,496	934,337	(32,159)	1,410,404	1,309,149	(101,255)

## 4. Securities available for sale

(Millions of yen)

		As of March 31, 2022			As of March 31, 2023		
		Carrying amount	Cost	Unrealized gains and losses	Carrying amount	Cost	Unrealized gains and losses
Securities whose carrying amount exceeds their cost	Domestic bonds	1,271,303	1,168,831	102,472	737,040	680,127	56,913
	Domestic stocks	1,191,869	379,955	811,913	1,211,725	370,543	841,181
	Foreign securities	2,113,763	1,810,929	302,833	1,221,400	1,017,548	203,852
	Others	190,781	165,269	25,512	188,026	174,656	13,370
	Subtotal	4,767,718	3,524,986	1,242,731	3,358,193	2,242,875	1,115,318
Securities whose carrying amount does not exceed their cost	Domestic bonds	737,695	762,653	(24,957)	806,847	865,614	(58,767)
	Domestic stocks	38,624	45,836	(7,212)	21,838	24,806	(2,967)
	Foreign securities	1,636,053	1,688,726	(52,673)	2,610,105	2,852,932	(242,826)
	Others	92,099	93,379	(1,279)	133,788	139,486	(5,698)
	Subtotal	2,504,472	2,590,595	(86,122)	3,572,579	3,882,840	(310,260)
Total	7,272,190	6,115,581	1,156,609	6,930,773	6,125,715	805,057	

Notes)

As of March 31, 2022	As of March 31, 2023
1. Stocks and others without a quoted market price and Investments in Partnerships are not included in the above table.	1. Same as on the left
2. Certificate of deposit classified as cash and deposits and beneficial interests in the loan trusts classified as monetary receivables bought in the consolidated balance sheet are included in "Others" above.	2. Certificate of deposit classified as cash and deposits and beneficial interests in the loan trusts, etc. classified as monetary receivables bought in the consolidated balance sheet are included in "Others" above.

## 5. Policy reserve matching bonds sold

(Millions of yen)

	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)			Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)		
	Proceeds from sales	Gains on sales	Losses on sales	Proceeds from sales	Gains on sales	Losses on sales
Domestic bonds	-	-	-	76,574	4,332	76
Total	-	-	-	76,574	4,332	76

## 6. Securities available for sale sold

(Millions of yen)

	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)			Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)		
	Proceeds from sales	Gains on sales	Losses on sales	Proceeds from sales	Gains on sales	Losses on sales
Domestic bonds	151,559	979	5,584	324,704	19,014	14,537
Domestic stocks	52,983	39,042	1,293	74,018	42,802	670
Foreign securities	917,840	69,110	4,880	862,845	5,612	43,356
Others	5,495	2,950	111	12,735	3,766	11
Total	1,127,878	112,082	11,869	1,274,303	71,197	58,576

## 7. Securities for which impairment losses are recognized

Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)	Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)
For the fiscal year ended March 31, 2022, impairment losses on securities available for sale (excluding stocks and others without a quoted market price and Investments in Partnerships) amount to 2,944 million yen (domestic stocks: 1,537 million yen, foreign securities: 1,406 million yen), and impairment losses on stocks and others without a quoted market price and Investments in Partnerships amount to 1,110 million yen (domestic stocks: 744 million yen, foreign securities: 366 million yen). Basically, impairment losses on securities are recognized if fair value at the end of the fiscal year declines by 30% or more from their cost.	For the fiscal year ended March 31, 2023, impairment losses on securities available for sale (excluding stocks and others without a quoted market price and Investments in Partnerships) amount to 9,839 million yen (domestic stocks: 882 million yen, foreign securities: 8,940 million yen, others: 16 million yen), and impairment losses on stocks and others without a quoted market price and Investments in Partnerships amount to 1,535 million yen (domestic stocks: 1,034 million yen, foreign securities: 501 million yen). Basically, impairment losses on securities are recognized if fair value at the end of the fiscal year declines by 30% or more from their cost.

## (Per share information)

	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)	Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)
Net assets per share	5,919.73 yen	5,566.64 yen
Net income per share	644.24 yen	270.64 yen
Diluted net income per share	643.86 yen	270.53 yen

## Notes)

1. Calculations of net income per share and diluted net income per share are based on the following figures.

(Millions of yen)

	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)	Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)
Net income per share		
Net income attributable to shareholders of the parent	224,842	91,156
Amount not attributable to common shareholders	—	—
Net income attributable to shareholders of the parent to common stocks	224,842	91,156
Average number of common stocks outstanding	348,999 thousand shares	336,818 thousand shares
Diluted net income per share		
Adjustment of net income attributable to shareholders of the parent	—	—
Increase of common stocks:	209 thousand shares	128 thousand shares
Stock acquisition rights	209 thousand shares	128 thousand shares

2. Calculation of net assets per share is based on the following figures.

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Total net assets	2,040,789	1,868,902
Amount to be deducted from total net assets:	12,671	14,745
Stock acquisition rights	446	269
Non-controlling interests	12,224	14,475
Net assets attributable to common stocks	2,028,118	1,854,157
Number of common stocks used for calculation of net assets per share	342,602 thousand shares	333,083 thousand shares

3. In the calculation of net income per share and diluted net income per share, the Company shares outstanding in "Board Benefit Trust (BBT)" which are recognized as treasury stock in shareholders' equity are included in treasury stock deducted from the average number of shares outstanding. In addition, in the calculation of net assets per share, such shares are included in treasury stock deducted from the number of total shares outstanding.

The average number of the treasury stock deducted above mentioned is 963 thousand for the fiscal year ended March 31, 2022 and is 866 thousand for the fiscal year ended March 31, 2023. The number of the treasury stock deducted above mentioned is 961 thousand as of March 31, 2022 and is 853 thousand as of March 31, 2023.

## (Significant subsequent events)

## 1. The Issuance of a Domestic Unsecured Straight Bond (Social Bond)

On April 27, 2023, the Company issued a domestic unsecured straight bond (social bond) as follows.

1	Issuer	Sampo Holdings, Inc.
2	Name of Bonds	1st series of unsecured straight bond with inter-bond pari passu clause (social bond)
3	Aggregate principal amount	JPY 70 billion
4	Denomination	JPY 100 million
5	Issue price	JPY 100 per amount of JPY 100 of each bond
6	Redemption price	JPY 100 per amount of JPY 100 of each bond
7	Maturity dates	April 27, 2028 (5-year bonds)
8	Interest rates	0.479% per annum
9	Offering period	April 21, 2023
10	Payment date	April 27, 2023
11	Interest payment dates	April 27 and October 27 of each year
12	Use of funds	Repayment of short-term borrowings (bridge loan) procured to acquire shares of ND Software
13	Third-party evaluation	Third-party evaluation obtained from Japan Credit Rating Agency Ltd.
14	Joint lead managers	Mizuho Securities Co., Ltd. Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. Daiwa Securities Co. Ltd. Nomura Securities Co., Ltd. SMBC Nikko Securities Inc. BofA Securities Japan Co., Ltd.
15	Structuring agent	Mizuho Securities Co., Ltd.
16	Fiscal agent	Mizuho Bank, Ltd.
17	Credit rating	AA+ (Japan Credit Rating Agency, Ltd.)
18	Securities depository	Japan Securities Depository Center, Incorporated



## 2. Acquisition of treasury stock

The Company passed a resolution setting out details of the Company's stock buybacks to be conducted in accord with Article 156 of the Companies Act applied pursuant to Article 165, paragraph 3, of that Act at the Company's Board of Directors meeting on May 19, 2023.

### (1) Reason for stock buybacks

While maintaining financial soundness and improving capital efficiency by investing on growing fields, etc., the Company has a policy to provide with basic return (50% of adjusted consolidated profit) and supplementary return based on its performance trends, market conditions and its capital conditions, etc., with the option of stock buybacks depending on capital conditions other than paying dividends regarding shareholder return. In accordance with this policy, the Company will conduct stock buybacks as a part of the shareholder return (supplementary return) for the financial results of fiscal year ended March 31, 2023.

### (2) Details of stock buybacks

(a) Class of shares	Common stock of the Company
(b) Potential total number	7,000,000 shares (upper limit)
(c) Total price	25,000,000,000 yen (upper limit)
(d) Period	June 1, 2023 — November 16, 2023

## Other

## (1) Summary of Results of Operations (Consolidated)

	(Millions of yen)			
	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)	Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)	Increase (Decrease)	Rate of change
Ordinary income and expenses:				%
Underwriting income:	3,656,896	4,090,702	433,806	11.9
Net premiums written	3,215,713	3,670,717	455,003	14.1
Deposits of premiums by policyholders	81,009	70,773	(10,235)	(12.6)
Life insurance premiums written	325,183	316,752	(8,430)	(2.6)
Underwriting expenses:	3,099,481	3,597,988	498,506	16.1
Net claims paid	1,584,397	1,947,647	363,250	22.9
Loss adjustment expenses	132,036	135,859	3,822	2.9
Net commissions and brokerage fees	632,667	703,159	70,492	11.1
Maturity refunds to policyholders	190,527	181,722	(8,805)	(4.6)
Life insurance claims paid and other payments	100,557	132,543	31,986	31.8
Provision for reserve for outstanding losses and claims	252,510	322,801	70,291	27.8
Provision for underwriting reserves	203,433	164,048	(39,384)	(19.4)
Investment income:	338,496	325,711	(12,784)	(3.8)
Interest and dividend income	215,785	241,475	25,690	11.9
Gains on sales of securities	112,354	75,524	(36,829)	(32.8)
Investment expenses:	37,383	113,781	76,397	204.4
Losses on sales of securities	11,869	58,653	46,783	394.1
Impairment losses on securities	5,966	12,325	6,359	106.6
Operating, general and administrative expenses	570,387	598,472	28,085	4.9
Other ordinary income and expenses:	27,371	16,357	(11,013)	(40.2)
Investment gains and losses on the equity method	(5,675)	(1,844)	3,831	—
Ordinary profit	315,512	122,530	(192,982)	(61.2)
Extraordinary gains and losses:				
Extraordinary gains	15,364	8,957	(6,406)	(41.7)
Extraordinary losses	13,243	8,078	(5,165)	(39.0)
Extraordinary gains and losses	2,120	879	(1,241)	(58.5)
Net income before income taxes	317,632	123,409	(194,223)	(61.1)
Income taxes	123,161	32,237	(90,924)	(73.8)
Deferred income taxes	(32,139)	(1,759)	30,379	—
Total income taxes	91,022	30,477	(60,544)	(66.5)
Net income	226,610	92,931	(133,678)	(59.0)
Net income attributable to non-controlling interests	1,767	1,774	6	0.4
Net income attributable to shareholders of the parent	224,842	91,156	(133,685)	(59.5)

## (2) Premiums Written and Claims Paid by Business Lines (Consolidated)

Direct premiums written (including deposits of premiums by policyholders)

(Millions of yen)

Business line	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)			Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	698,230	19.2	9.3	811,188	19.9	16.2
Marine insurance	104,894	2.9	17.9	134,251	3.3	28.0
Personal accident insurance	239,911	6.6	(4.1)	238,659	5.9	(0.5)
Voluntary automobile insurance	1,217,407	33.4	0.0	1,263,857	31.0	3.8
Compulsory automobile liability insurance	220,617	6.1	(7.6)	225,489	5.5	2.2
Others	1,163,307	31.9	41.1	1,404,014	34.4	20.7
Total	3,644,369	100.0	11.8	4,077,460	100.0	11.9
Deposits of premiums by policyholders	81,009	2.2	(13.4)	70,773	1.7	(12.6)

Note) The above figures represent amounts after offsetting internal transactions among segments.

Net premiums written

(Millions of yen)

Business line	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)			Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	524,266	16.3	14.1	627,013	17.1	19.6
Marine insurance	92,493	2.9	12.8	117,017	3.2	26.5
Personal accident insurance	156,850	4.9	0.1	159,745	4.4	1.8
Voluntary automobile insurance	1,217,232	37.9	(0.0)	1,263,943	34.4	3.8
Compulsory automobile liability insurance	217,261	6.8	(8.8)	211,113	5.8	(2.8)
Others	1,007,609	31.3	30.9	1,291,883	35.2	28.2
Total	3,215,713	100.0	10.0	3,670,717	100.0	14.1

Note) The above figures represent amounts after offsetting internal transactions among segments.

Net claims paid

(Millions of yen)

Business line	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)			Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	311,296	19.6	13.0	401,364	20.6	28.9
Marine insurance	45,867	2.9	1.4	48,789	2.5	6.4
Personal accident insurance	71,164	4.5	(2.2)	88,314	4.5	24.1
Voluntary automobile insurance	612,647	38.7	2.5	678,374	34.8	10.7
Compulsory automobile liability insurance	159,225	10.0	(9.5)	144,986	7.4	(8.9)
Others	384,195	24.2	9.0	585,818	30.1	52.5
Total	1,584,397	100.0	4.2	1,947,647	100.0	22.9

Note) The above figures represent amounts after offsetting internal transactions among segments.