



UNOFFICIAL TRANSLATION

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Summary of
Consolidated Financial Results
for the fiscal year ended March 31, 2023
Supplementary Information

May 19, 2023

Sompo Holdings, Inc.

(Securities Code : 8630)

Summary of Consolidated Financial Results for the fiscal year ended March 31, 2023
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1. Overview of Consolidated Financial Results for the fiscal year ended March 31, 2023

(1) Sompo Holdings, Inc.

Overview of Consolidated Financial Results for the fiscal year ended March 31, 2023

(Yen in hundred millions)

		Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Increase (Decrease)	Rate of change
Ordinary income:	(1)	41,674	46,071	4,396	10.5
Net premiums written:	(2)	32,157	36,707	4,550	14.1
Sompo Japan Insurance Inc.	(3)	21,587	22,255	667	3.1
Overseas consolidated subsidiaries	(4)	9,985	13,801	3,815	38.2
Life insurance premiums written	(5)	3,251	3,167	(84)	(2.6)
Ordinary profit:	(6)	3,155	1,225	(1,929)	(61.2)
Sompo Japan Insurance Inc.	(7)	2,108	1,249	(858)	(40.7)
Net income attributable to shareholders of the parent:	(8)	2,248	911	(1,336)	(59.5)
Sompo Japan Insurance Inc.	(9)	1,662	1,080	(581)	(35.0)
Overseas consolidated subsidiaries ^(Note 2)	(10)	643	731	87	13.6
Sompo Himawari Life Insurance, Inc.	(11)	159	9	(149)	(94.1)
Nursing Care & Seniors consolidated subsidiaries	(12)	59	54	(4)	(8.3)
Others and consolidation adjustment, etc. ^(Note 1, 2)	(13)	(275)	(963)	(688)	

Notes)

- "Others and consolidation adjustment, etc." in the above table includes profits and losses of consolidated companies other than the above and adjustments due to consolidation adjustments, etc.
- Sompo International Holdings Ltd., among overseas consolidated subsidiaries, has adopted International Financial Reporting Standards and due to differences in accounting standards, (25.5) billion yen is included in the result for the fiscal year ended March 31, 2022 and (128.2) billion yen is included in the result for the fiscal year ended March 31, 2023 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)

		Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Increase (Decrease)
Net claims paid	(1)	255	897	642
Change in reserve for outstanding losses and claims	(2)	489	362	(126)
Net incurred loss	(3)	744	1,260	516

(Reference) SOMPO HOLDINGS' numerical management targets

(Yen in hundred millions)

		Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Increase (Decrease)	Rate of change
Adjusted consolidated profit		2,613	1,522	(1,091)	(41.8)

(2) Sompo Japan Insurance Inc.

Summary of Results of Operations

(Yen in hundred millions)

		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 and expenses: ^(Note)					
Direct premiums written	(1)	24,211	25,071	860	3.6
(+) Net premiums written	(2)	21,587	22,255	667	3.1
(-) Net claims paid	(3)	11,750	13,112	1,362	11.6
(-) Loss adjustment expenses	(4)	1,154	1,153	(0)	(0.1)
(-) Net operating expenses:	(5)	7,285	7,456	170	2.3
Net commissions and brokerage fees	(6)	4,230	4,392	162	3.8
Operating, general and administrative expenses related to underwriting	(7)	3,055	3,064	8	0.3
Underwriting result	(8)	1,397	532	(864)	(61.9)
(-) Change in reserve for outstanding losses and claims	(9)	276	602	325	117.9
(-) Change in Ordinary Underwriting Reserves	(10)	48	345	297	616.3
(-) Change in Catastrophic Loss Reserve	(11)	571	(110)	(682)	(119.4)
(+) Other underwriting income and expenses	(12)	129	106	(23)	(18.2)
Underwriting profit	(13)	630	(198)	(828)	(131.5)
Investment income and expenses:					
(+) Interest and dividend income	(14)	1,479	1,662	182	12.3
(+) Transfer of interest and dividend income on deposits of premiums, etc.	(15)	(308)	(301)	7	—
Net Interest and dividend income	(16)	1,170	1,361	190	16.3
(+) Gains and losses on sales of securities	(17)	381	309	(72)	(18.9)
(-) Impairment losses on securities	(18)	18	19	1	8.3
(+) Gains and losses on derivatives	(19)	(24)	(133)	(108)	—
(+) Other investment income and expenses	(20)	123	67	(55)	(45.3)
Gross investment margin	(21)	1,633	1,585	(47)	(2.9)
(+) Other ordinary income and expenses, etc.	(22)	(155)	(137)	17	—
Ordinary profit	(23)	2,108	1,249	(858)	(40.7)
Extraordinary gains and losses:					
(+) Extraordinary gains	(24)	163	58	(104)	(64.2)
(-) Extraordinary losses	(25)	149	62	(86)	(58.4)
Extraordinary gains and losses	(26)	14	(3)	(17)	(124.7)
Net income before income taxes	(27)	2,122	1,245	(876)	(41.3)
(-) Total income taxes	(28)	460	165	(294)	(64.1)
Net income	(29)	1,662	1,080	(581)	(35.0)
Ratios:		%	%	%	
Net loss ratio	(30)	59.8	64.1	4.3	
Net operating expenses ratio	(31)	33.7	33.5	(0.2)	
Combined ratio	(32)	93.5	97.6	4.1	
Return on investments (income base)	(33)	2.75	3.09	0.34	
Return on investments (realized base)	(34)	3.60	3.50	(0.10)	
Reference: Ratios excluding earthquake insurance and compulsory automobile liability insurance					
E/I loss ratio	(35)	59.1	67.0	7.9	
E/I combined ratio	(36)	93.5	100.9	7.3	

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

Reference) Total return based on the fair value: Fiscal year ended March 31, 2022 2.50 %
Fiscal year ended March 31, 2023 1.84 %

(3) Overseas consolidated subsidiaries

Summary of Results of Major items

(Yen in hundred millions)

		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
Net premiums written:	(1)	9,985	13,801	3,815	38.2
SI commercial ^(Note2)	(2)	8,751	11,816	3,065	35.0
Net income attributable to shareholders of the parent:	(3)	643	731	87	13.6
SI commercial	(4)	746	767	20	2.7
The amount to be revised due to differences in accounting standards, which is excluded on consolidation ^(Note1)	(5)	255	1,282	1,027	402.5
Reference: Unadjusted net income (loss) attributable to shareholders of the parent (3)-(5)	(6)	388	(551)	(940)	(242.1)
SI commercial (4)-(5)	(7)	491	(515)	(1,007)	(204.9)
Reference: SI commercial ratios					
E/I loss ratio	(8)	68.2	70.2	2.0	
E/I combined ratio	(9)	93.9	93.5	(0.4)	

Notes)

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

(4) Sompo Himawari Life Insurance, Inc.

Summary of Results of Major items

(Yen in hundred millions)

		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
Insurance premiums and other	(1)	4,368	4,344	(24)	(0.6)
Net premiums written	(2)	3,185	3,108	(76)	(2.4)
Ordinary profit	(3)	264	63	(201)	(76.1)
Net income	(4)	159	9	(149)	(94.1)

(5) Sompo Japan Insurance Inc.

Summary of Results of Major items

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

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)		Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)		
	Amount	Rate of change	Amount	Increase (Decrease)	Rate of change
Fire and allied insurance	4,955	2.9 %	5,533	577	11.7 %
Marine insurance	490	10.5	591	100	20.5
Personal accident insurance	1,571	(0.7)	1,602	31	2.0
Voluntary automobile insurance	10,927	(0.3)	10,880	(47)	(0.4)
Compulsory automobile liability insurance	2,206	(7.6)	2,254	48	2.2
Others	4,059	3.8	4,209	149	3.7
Total	24,211	0.5	25,071	860	3.6
Deposits of premiums by policyholders	810	(13.4)	707	(102)	(12.6)

(b) Net premiums written

(Yen in hundred millions)

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	Rate of change	Amount	Increase (Decrease)	Rate of change
Fire and allied insurance	3,276	6.9 %	3,850	573	17.5 %
Marine insurance	468	15.4	549	81	17.3
Personal accident insurance	1,516	(0.3)	1,537	21	1.4
Voluntary automobile insurance	10,877	(0.2)	10,832	(45)	(0.4)
Compulsory automobile liability insurance	2,168	(8.8)	2,107	(61)	(2.8)
Others	3,280	4.2	3,378	97	3.0
Total	21,587	0.8	22,255	667	3.1
Excluding household earthquake insurance and compulsory automobile liability insurance	19,417	2.0	20,147	729	3.8

(c) Net claims paid

(Yen in hundred millions)

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	Net loss ratio	Amount	Increase (Decrease)	Net loss ratio	Increase (Decrease)
Fire and allied insurance	2,161	68.6 %	2,865	704	76.7 %	8.1 %
Marine insurance	230	51.7	229	(0)	44.2	(7.5)
Personal accident insurance	696	50.1	867	171	61.3	11.2
Voluntary automobile insurance	5,363	56.0	5,810	447	60.2	4.2
Compulsory automobile liability insurance	1,587	80.2	1,445	(141)	76.0	(4.2)
Others	1,712	55.5	1,893	181	59.3	3.8
Total	11,750	59.8	13,112	1,362	64.1	4.3
Excluding household earthquake insurance and compulsory automobile liability insurance	10,141	57.4	11,652	1,510	62.8	5.4

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

(Yen in hundred millions)

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)		
	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	225	475	700	652	335	987
Voluntary automobile insurance	17	1	18	219	15	234
Other than the above	12	12	25	25	12	37
Total excluding household earthquake insurance and compulsory automobile liability insurance	255	489	744	897	362	1,260

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

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

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

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2022			Fiscal year ended March 31, 2023		
	Amount	Increase (Decrease)	Rate of change	Amount	Increase (Decrease)	Rate of change
Personnel expenses	2,090	(79)	(3.7)	2,049	(40)	(1.9)
Non-personnel expenses	2,103	120	6.1	2,157	54	2.6
Others (taxes and contributions)	200	10	5.7	202	1	0.7
Total	4,394	51	1.2	4,409	15	0.3

(f) Reserve for Outstanding Losses and Claims

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2022		Fiscal year ended March 31, 2023	
	Balance	Change	Balance	Change
Fire and allied insurance	1,548	124	1,756	207
Marine insurance	231	16	244	13
Personal accident insurance	470	21	487	17
Voluntary automobile insurance	3,692	(18)	3,900	207
Compulsory automobile liability insurance	622	(3)	611	(10)
Others	2,435	136	2,602	166
Total	9,001	276	9,603	602

(g) Ordinary Underwriting Reserves

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2022		Fiscal year ended March 31, 2023	
	Balance	Change	Balance	Change
Fire and allied insurance	7,840	88	8,101	260
Marine insurance	222	22	317	94
Personal accident insurance	1,281	7	1,290	9
Voluntary automobile insurance	3,173	(30)	3,174	1
Compulsory automobile liability insurance	4,595	(25)	4,581	(13)
Others	3,446	(14)	3,439	(7)
Total	20,559	48	20,905	345

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

(h) Catastrophic Loss Reserve

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2022				Fiscal year ended March 31, 2023			
	Reversal	Provision	Balance	Balance ratio	Reversal	Provision	Balance	Balance ratio
Fire and allied insurance	475	585	1,146	35.0	926	937	1,156	30.1
Marine insurance	—	14	455	97.2	—	33	488	88.9
Personal accident insurance	—	48	812	53.6	106	48	754	49.1
Voluntary automobile insurance	—	352	1,063	9.8	431	351	983	9.1
Others	61	107	2,034	62.0	142	126	2,017	59.7
Total	537	1,109	5,512	28.4	1,607	1,496	5,401	26.8

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

2. Forecasts for the fiscal year ending March 31, 2024 (April 1, 2023 to March 31, 2024)

Sompo Holdings, Inc. (Consolidated)

(Yen in hundred millions)

	Fiscal year ended March 31, 2023 Result	Fiscal year ending March 31, 2024 Forecast	Increase (Decrease)	Rate of change
				%
Net premiums written	36,707	37,310	602	1.6
Life insurance premiums written	3,167	3,340	172	5.4
Ordinary profit	1,225	3,220	1,994	162.8
Net income attributable to shareholders of the parent:	911	2,300	1,388	152.3
Sompo Japan Insurance Inc.	1,080	1,800	719	66.6
Overseas consolidated subsidiaries	731	1,514	782	107.1
Sompo Himawari Life Insurance, Inc.	9	153	143	1,518.6
Nursing Care & Seniors consolidated subsidiaries	54	63	8	15.9
Others and consolidation adjustment, etc. ^(Note)	(963)	(1,230)	(266)	—

Note)

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

SOMPO HOLDINGS' numerical management targets and dividends

(Yen in hundred millions)

	Fiscal year ended March 31, 2023 Result	Fiscal year ending March 31, 2024 Forecast	Increase (Decrease)	Rate of change
				%
Adjusted consolidated profit	1,522	2,800	1,277	83.9
Dividends per share (annual)	260 yen	300 yen	40 yen	—
Interim Dividends per share	130 yen	150 yen	20 yen	—
Year-end Dividends per share	130 yen	150 yen	20 yen	—

Sompo Japan Insurance Inc. (Non-consolidated)

(Yen in hundred millions)

	Fiscal year ended March 31, 2023 Result	Fiscal year ending March 31, 2024 Forecast	Increase (Decrease)	Rate of change
				%
Net premiums written	22,255	22,250	(5)	(0.0)
(Excluding earthquake insurance and compulsory automobile liability insurance)	20,147	20,474	327	1.6
Net loss ratio	64.1	64.5	0.4	—
(Excluding earthquake insurance and compulsory automobile liability insurance)	62.8	62.4	(0.4)	—
Net operating expenses ratio	33.5	34.4	0.9	—
(Excluding earthquake insurance and compulsory automobile liability insurance)	33.9	34.2	0.4	—
Combined ratio	97.6	98.9	1.3	—
(Excluding earthquake insurance and compulsory automobile liability insurance)	96.7	96.7	(0.0)	—
Underwriting profit	(198)	730	928	—
Gross investment margin	1,585	1,675	90	5.7
Ordinary profit	1,249	2,250	1,000	80.1
Net income	1,080	1,800	719	66.6

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

E/I loss ratio	67.0	63.0	(4.0)	—	%
E/I combined ratio	100.9	97.3	(3.6)	—	

3. Overview of Business Results of Principal Consolidated Subsidiaries

Sompo Japan Insurance Inc. (Non-consolidated)

Balance Sheet

	(Millions of yen)		
	As of March 31, 2022	As of March 31, 2023	Increase (Decrease)
	Amount	Amount	
Assets:			
Cash and deposits:	477,918	474,287	(3,630)
Cash	9	7	(1)
Deposits	477,909	474,280	(3,628)
Receivables under resale agreements	73,999	69,999	(4,000)
Monetary receivables bought	20,104	20,366	261
Money trusts	20,683	21,105	421
Securities:	5,259,488	5,085,990	(173,498)
Government bonds	678,580	512,262	(166,318)
Municipal bonds	5,720	5,545	(175)
Corporate bonds	625,139	490,450	(134,688)
Domestic stocks	1,308,357	1,312,035	3,678
Foreign securities	2,426,435	2,539,168	112,732
Other securities	215,255	226,528	11,273
Loans:	519,703	563,994	44,290
Policy loans	3,978	2,897	(1,081)
Ordinary loans	515,724	561,096	45,372
Tangible fixed assets:	227,274	232,078	4,803
Land	84,917	82,690	(2,227)
Buildings	104,824	104,503	(320)
Leased assets	2,371	5,526	3,155
Construction in progress	9,675	14,711	5,036
Other tangible fixed assets	25,486	24,646	(839)
Intangible fixed assets:	209,721	235,489	25,767
Software	94,972	83,412	(11,560)
Other intangible fixed assets	114,749	152,076	37,327
Other assets:	543,748	531,253	(12,495)
Premiums receivable	1,630	3,053	1,423
Agency accounts receivable	190,101	189,583	(518)
Foreign agency accounts receivable	13,682	14,041	358
Coinsurance accounts receivable	14,105	10,351	(3,753)
Reinsurance accounts receivable	71,448	68,738	(2,710)
Foreign reinsurance accounts receivable	36,890	38,482	1,591
Proxy service receivable	49	62	13
Accounts receivable	69,667	104,377	34,710
Accrued income	8,145	6,192	(1,952)
Advance deposits	14,952	13,860	(1,091)
Earthquake insurance deposits	2,842	1,432	(1,409)
Suspense payments	64,901	67,550	2,648
Deposits paid for future transactions	8,034	7,985	(48)
Derivative assets	5,113	4,767	(346)
Cash collateral paid for financial instruments	42,174	764	(41,410)
Other assets	7	7	—
Deferred tax assets	22,481	40,035	17,553
Allowance for possible credit losses	(2,751)	(2,751)	0
Allowance for possible investment losses	(5,689)	(5,180)	509
Total assets	7,366,684	7,266,668	(100,016)

Sompo Japan Insurance Inc. (Non-consolidated)

Balance Sheet

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023	Increase (Decrease)
	Amount	Amount	
Liabilities:			
Underwriting funds:	4,557,431	4,547,526	(9,905)
Reserve for outstanding losses and claims	900,122	960,373	60,251
Underwriting reserves	3,657,309	3,587,152	(70,156)
Corporate bonds	433,560	527,000	93,440
Other liabilities:	700,176	589,464	(110,711)
Coinsurance accounts payable	5,800	6,256	455
Reinsurance accounts payable	70,308	72,058	1,749
Foreign reinsurance accounts payable	22,539	26,148	3,609
Payables under securities lending transactions	156,505	177,859	21,353
Borrowings	15,358	77	(15,280)
Income taxes payable	8,535	5,679	(2,855)
Deposits received	2,796	2,787	(9)
Unearned income	297	316	18
Accounts payable	230,272	186,409	(43,862)
Suspense receipts	94,315	85,662	(8,653)
Derivative liabilities	49,831	7,878	(41,952)
Cash collateral received for financial instruments	38,702	9,976	(28,725)
Lease obligations	2,745	6,142	3,396
Asset retirement obligations	2,165	2,211	45
Reserve for retirement benefits	85,576	78,879	(6,697)
Reserve for bonus payments	15,719	15,240	(478)
Reserve for bonus payments to directors	117	87	(29)
Reserves under the special laws:	95,331	99,792	4,461
Reserve for price fluctuation	95,331	99,792	4,461
Total liabilities	5,887,913	5,857,992	(29,920)
Net assets:			
Shareholders' equity:			
Common stock	70,000	70,000	—
Capital surplus:	70,000	70,000	—
Capital reserves	70,000	70,000	—
Retained earnings:	529,398	508,480	(20,918)
Other retained earnings:	529,398	508,480	(20,918)
Reserve for advanced depreciation	10,590	11,867	1,276
Reserve for promoting open innovation	—	270	270
General reserve	83,300	83,300	—
Retained earnings carried forward	435,508	413,043	(22,465)
Total shareholders' equity	669,398	648,480	(20,918)
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	805,943	757,782	(48,160)
Deferred gains and losses on hedges	3,429	2,412	(1,016)
Total valuation and translation adjustments	809,372	760,194	(49,177)
Total net assets	1,478,770	1,408,675	(70,095)
Total liabilities and net assets	7,366,684	7,266,668	(100,016)

Sompo Japan Insurance Inc. (Non-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)	Increase (Decrease)	Rate of change
	Amount	Amount		
Ordinary income:	2,490,458	2,623,349	132,891	5.3
Underwriting income:	2,300,385	2,399,389	99,003	4.3
Net premiums written	2,158,791	2,225,531	66,740	3.1
Deposits of premiums by policyholders	81,009	70,773	(10,235)	(12.6)
Interest and dividend income on deposits of premiums, etc.	30,895	30,102	(793)	(2.6)
Reversal of underwriting reserves	28,053	70,156	42,103	150.1
Foreign exchange gains	893	2,218	1,325	148.3
Other underwriting income	742	606	(135)	(18.3)
Investment income:	175,824	210,057	34,233	19.5
Interest and dividend income	147,980	166,250	18,270	12.3
Investment gains on money trusts	1,353	3,105	1,752	129.6
Gains on sales of securities	42,554	53,878	11,324	26.6
Gains on redemption of securities	4,580	2,389	(2,191)	(47.8)
Foreign exchange gains	9,990	13,369	3,378	33.8
Other investment income	261	1,166	905	346.7
Transfer of interest and dividend income on deposits of premiums, etc.	(30,895)	(30,102)	793	—
Other ordinary income	14,248	13,902	(345)	(2.4)
Ordinary expenses:	2,279,648	2,498,423	218,774	9.6
Underwriting expenses:	1,933,287	2,109,098	175,810	9.1
Net claims paid	1,175,024	1,311,226	136,201	11.6
Loss adjustment expenses	115,456	115,369	(87)	(0.1)
Net commissions and brokerage fees	423,007	439,225	16,218	3.8
Maturity refunds to policyholders	190,527	181,722	(8,805)	(4.6)
Dividends to policyholders	28	7	(21)	(75.2)
Provision for reserve for outstanding losses and claims	27,657	60,251	32,594	117.9
Other underwriting expenses	1,585	1,295	(289)	(18.3)
Investment expenses:	12,523	51,543	39,019	311.6
Investment losses on money trusts	45	2	(42)	(94.6)
Losses on sales of securities	4,390	22,936	18,546	422.5
Impairment losses on securities	1,805	1,954	149	8.3
Losses on derivatives	2,476	13,362	10,885	439.5
Other investment expenses	3,806	13,286	9,480	249.1
Operating, general and administrative expenses	323,947	325,566	1,618	0.5
Other ordinary expenses:	9,889	12,215	2,325	23.5
Interest paid	7,016	7,587	571	8.1
Provision for allowance for possible credit losses	—	48	48	—
Losses on bad debt	19	31	11	59.1
Other ordinary expenses	2,854	4,548	1,694	59.4
Ordinary profit	210,810	124,926	(85,883)	(40.7)

Sompo Japan Insurance Inc. (Non-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)	Increase (Decrease)	Rate of change
	Amount	Amount		
Extraordinary gains:	16,336	5,854	(10,481)	(64.2)
Gains on disposal of fixed assets	16,336	5,854	(10,481)	(64.2)
Extraordinary losses:	14,906	6,206	(8,699)	(58.4)
Losses on disposal of fixed assets	6,097	1,596	(4,500)	(73.8)
Impairment losses	4,575	148	(4,426)	(96.8)
Provision for reserves under the special laws:	4,233	4,461	227	5.4
Provision for reserve for price fluctuation	4,233	4,461	227	5.4
Net income before income taxes	212,239	124,573	(87,665)	(41.3)
Income taxes	71,889	14,435	(57,453)	(79.9)
Deferred income taxes	(25,857)	2,096	27,953	—
Total income taxes	46,031	16,531	(29,499)	(64.1)
Net income	166,207	108,041	(58,165)	(35.0)
Underwriting result:				
Net premiums written (+)	2,158,791	2,225,531	66,740	3.1
Net claims paid (—)	1,175,024	1,311,226	136,201	11.6
Loss adjustment expenses (—)	115,456	115,369	(87)	(0.1)
Net operating expenses: (—)	728,559	745,649	17,089	2.3
Net commissions and brokerage fees	423,007	439,225	16,218	3.8
Operating, general and administrative expenses related to underwriting	305,552	306,424	871	0.3
Underwriting result	139,749	53,286	(86,463)	(61.9)
Underwriting profit (loss)	63,053	(19,833)	(82,886)	(131.5)
Ratios:				
Net loss ratio (%)	59.8	64.1	4.3	
Net operating expenses ratio (%)	33.7	33.5	(0.2)	
Combined ratio (%)	93.5	97.6	4.1	

Sompo Japan Insurance Inc. (Non-consolidated)

Premiums Written and Claims Paid by Business Lines

Direct premiums written (excluding deposits of premiums by policyholders)

(Millions of yen)

Business line	Fiscal year ended March 31, 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	495,532	20.5	2.9	553,304	22.1	11.7
Marine insurance	49,065	2.0	10.5	59,117	2.4	20.5
Personal accident insurance	157,135	6.5	(0.7)	160,291	6.4	2.0
Voluntary automobile insurance	1,092,765	45.1	(0.3)	1,088,008	43.4	(0.4)
Compulsory automobile liability insurance	220,617	9.1	(7.6)	225,489	9.0	2.2
Others	405,994	16.8	3.8	420,923	16.8	3.7
Total	2,421,111	100.0	0.5	2,507,134	100.0	3.6
Deposits of premiums by policyholders	81,009	—	(13.4)	70,773	—	(12.6)

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	327,642	15.2	6.9	385,029	17.3	17.5
Marine insurance	46,841	2.2	15.4	54,947	2.5	17.3
Personal accident insurance	151,689	7.0	(0.3)	153,793	6.9	1.4
Voluntary automobile insurance	1,087,749	50.4	(0.2)	1,083,235	48.7	(0.4)
Compulsory automobile liability insurance	216,834	10.0	(8.8)	210,705	9.5	(2.8)
Others	328,033	15.2	4.2	337,821	15.2	3.0
Total	2,158,791	100.0	0.8	2,225,531	100.0	3.1

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	Rate of change	Net loss ratio	Amount	Rate of change	Net loss ratio
Fire and allied insurance	216,125	0.8	68.6	286,546	32.6	76.7
Marine insurance	23,013	(7.7)	51.7	22,970	(0.2)	44.2
Personal accident insurance	69,608	(2.0)	50.1	86,762	24.6	61.3
Voluntary automobile insurance	536,313	0.8	56.0	581,063	8.3	60.2
Compulsory automobile liability insurance	158,732	(9.4)	80.2	144,538	(8.9)	76.0
Others	171,232	(0.5)	55.5	189,345	10.6	59.3
Total	1,175,024	(1.2)	59.8	1,311,226	11.6	64.1

Sampo Japan Insurance Inc. (Non-consolidated)

Non-consolidated Solvency Margin Ratio

	(Millions of yen)	
	As of March 31, 2022	As of March 31, 2023
(A) Total Non-consolidated Solvency Margin	3,042,067	2,952,779
Capital and funds, etc.	669,398	648,480
Reserve for price fluctuation	95,331	99,792
Contingency reserve	2,475	3,624
Catastrophic loss reserve	554,520	541,683
General allowance for possible credit losses	132	172
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	988,227	935,188
Unrealized gains and losses on land	132,656	129,929
Excess amount of reserve for maturity refunds	—	—
Subordinated debt, etc.	433,560	427,000
Excess amount of reserve for maturity refunds and subordinated debt, etc. which are excluded from total solvency margin	—	—
Deductions	46,381	36,213
Others	212,146	203,119
(B) Total Non-consolidated Risks	872,214	947,373
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
Underwriting risk (R_1)	196,903	202,217
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R_2)	—	—
Guaranteed interest rate risk (R_3)	13,946	12,362
Investment risk (R_4)	623,096	692,323
Business management risk (R_5)	20,380	21,983
Major catastrophe risk (R_6)	185,055	192,263
(C) Non-consolidated Solvency Margin Ratio [(A) / {(B) × 1/2}] × 100	697.5 %	623.3 %

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

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

Balance Sheet

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023	Increase (Decrease)
	Amount	Amount	
Assets:			
Cash and deposits:	20,757	17,032	(3,725)
Cash	0	0	(0)
Deposits	20,757	17,032	(3,725)
Securities:	46,865	50,419	3,554
Municipal bonds	6,699	7,156	457
Corporate bonds	21,218	24,099	2,881
Domestic stocks	38	38	0
Foreign securities	7,927	6,796	(1,131)
Other securities	10,981	12,328	1,346
Tangible fixed assets:	403	351	(52)
Buildings	105	95	(10)
Leased assets	243	189	(54)
Other tangible fixed assets	54	67	12
Intangible fixed assets:	5,715	7,594	1,879
Software	5,712	7,591	1,879
Other intangible fixed assets	2	2	—
Other assets:	5,943	6,853	910
Premiums receivable	1,830	1,943	113
Agency accounts receivable	103	125	22
Coinsurance accounts receivable	9	13	4
Reinsurance accounts receivable	90	87	(3)
Foreign reinsurance accounts receivable	23	10	(13)
Accounts receivable	936	1,076	140
Accrued income	38	54	15
Advance deposits	481	495	13
Suspense payments	2,428	3,046	617
Deferred tax assets	1,744	1,862	118
Allowance for possible credit losses	(0)	(2)	(2)
Total assets	81,430	84,112	2,682

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

Balance Sheet

	(Millions of yen)		
	As of March 31, 2022	As of March 31, 2023	Increase (Decrease)
	Amount	Amount	
Liabilities:			
Underwriting funds:			
Reserve for outstanding losses and claims	57,382	62,687	5,305
Underwriting reserves	22,115	25,005	2,890
Underwriting reserves	35,266	37,682	2,415
Other liabilities:	5,641	5,641	0
Coinsurance accounts payable	36	36	0
Reinsurance accounts payable	214	209	(5)
Foreign reinsurance accounts payable	74	64	(9)
Income taxes payable	406	198	(208)
Deposits received	32	37	4
Accounts payable	1,798	1,853	55
Suspense receipts	2,826	3,040	214
Lease obligations	252	200	(51)
Reserve for retirement benefits to directors	9	15	5
Reserve for bonus payments	410	395	(14)
Reserve for bonus payments to directors	15	17	1
Reserves under the special laws:	87	107	19
Reserve for price fluctuation	87	107	19
Total liabilities	63,547	68,865	5,317
Net assets:			
Shareholders' equity:			
Common stock	32,260	32,260	—
Capital surplus:	40,692	40,692	—
Capital reserves	30,497	30,497	—
Other capital surplus	10,194	10,194	—
Retained earnings:	(55,321)	(56,242)	(921)
Other retained earnings:	(55,321)	(56,242)	(921)
Retained earnings carried forward	(55,321)	(56,242)	(921)
Total shareholders' equity	17,631	16,709	(921)
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	250	(1,462)	(1,713)
Total valuation and translation adjustments	250	(1,462)	(1,713)
Total net assets	17,882	15,247	(2,635)
Total liabilities and net assets	81,430	84,112	2,682

SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED (Non-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)	Increase (Decrease)	Rate of change	
	Amount	Amount		%	
Ordinary income:	58,636	65,192	6,555	11.2	
Underwriting income:	58,234	64,503	6,268	10.8	
Net premiums written	58,185	64,446	6,260	10.8	
Interest and dividend income on deposits of premiums, etc.	48	56	8	16.6	
Foreign exchange gains	—	0	0	—	
Investment income:	271	624	352	129.7	
Interest and dividend income	283	341	57	20.2	
Gains on sales of securities	23	340	316	1,329.7	
Other investment income	12	—	(12)	(100.0)	
Transfer of interest and dividend income on deposits of premiums, etc.	(48)	(56)	(8)	—	
Other ordinary income	130	64	(66)	(50.6)	
Ordinary expenses:	56,215	66,067	9,852	17.5	
Underwriting expenses:	41,114	49,520	8,406	20.4	
Net claims paid	33,260	38,536	5,276	15.9	
Loss adjustment expenses	4,239	4,415	176	4.2	
Net commissions and brokerage fees	1,189	1,255	65	5.5	
Provision for reserve for outstanding losses and claims	1,085	2,890	1,804	166.3	
Provision for underwriting reserves	1,331	2,415	1,083	81.4	
Foreign exchange losses	0	—	(0)	(100.0)	
Other underwriting expenses	8	7	(1)	(13.6)	
Investment expenses:	0	337	336	55,523.8	
Losses on sales of securities	0	336	335	55,314.8	
Impairment losses on securities	—	1	1	—	
Operating, general and administrative expenses	15,008	16,096	1,088	7.2	
Other ordinary expenses:	91	112	21	23.0	
Interest paid	5	4	(1)	(17.9)	
Provision for allowance for possible credit losses	—	2	2	—	
Other ordinary expenses	85	105	19	23.2	
Ordinary profit (loss)	2,421	(875)	(3,296)	(136.2)	
Extraordinary losses:	33	24	(9)	(27.8)	
Losses on disposal of fixed assets	15	0	(14)	(99.1)	
Impairment losses	0	4	4	926.0	
Provision for reserves under the special laws:	18	19	1	7.1	
Provision for reserve for price fluctuation	18	19	1	7.1	
Net income (loss) before income taxes	2,387	(899)	(3,287)	(137.7)	
Income taxes	296	15	(280)	(94.7)	
Deferred income taxes	(341)	6	347	—	
Total income taxes	(45)	22	67	—	
Net income (loss)	2,433	(921)	(3,355)	(137.9)	
Underwriting result:					
Net premiums written	(+)	58,185	64,446	6,260	10.8
Net claims paid	(—)	33,260	38,536	5,276	15.9
Loss adjustment expenses	(—)	4,239	4,415	176	4.2
Net operating expenses:	(—)	16,160	17,217	1,057	6.5
Net commissions and brokerage fees		1,189	1,255	65	5.5
Operating, general and administrative expenses related to underwriting		14,970	15,962	992	6.6
Underwriting result		4,526	4,276	(249)	(5.5)
Underwriting profit (loss)		2,168	(959)	(3,128)	(144.3)
Ratios:					
Net loss ratio	(%)	64.4	66.6	2.2	
Net operating expenses ratio	(%)	27.8	26.7	(1.1)	
Combined ratio	(%)	92.2	93.4	1.1	

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

Non-consolidated Solvency Margin Ratio

	(Millions of yen)	
	As of March 31, 2022	As of March 31, 2023
(A) Total Non-consolidated Solvency Margin	21,775	19,323
Capital and funds, etc.	17,631	16,709
Reserve for price fluctuation	87	107
Contingency reserve	11	11
Catastrophic loss reserve	3,669	3,915
General allowance for possible credit losses	—	0
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	374	(1,421)
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	9,442
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
Underwriting risk (R_1)	7,011	7,612
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R_2)	—	—
Guaranteed interest rate risk (R_3)	15	13
Investment risk (R_4)	1,763	1,747
Business management risk (R_5)	302	320
Major catastrophe risk (R_6)	1,304	1,309
(C) Non-consolidated Solvency Margin Ratio [(A) / {(B) × 1/2}] × 100	492.5 %	409.2 %

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

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

Balance Sheet

	As of March 31, 2022	As of March 31, 2023	(Millions of yen) Increase (Decrease)
	Amount	Amount	
Assets:			
Cash and deposits:	137,951	79,308	(58,643)
Deposits	137,951	79,308	(58,643)
Securities:	3,476,978	3,735,314	258,336
Government bonds	2,371,793	2,693,598	321,805
Municipal bonds	57,515	56,732	(783)
Corporate bonds	420,802	380,019	(40,783)
Domestic stocks	9,858	10,424	565
Foreign securities	611,887	587,130	(24,757)
Other securities	5,120	7,409	2,288
Loans:	41,428	42,150	721
Policy loans	41,425	42,148	722
Ordinary loans	3	2	(0)
Tangible fixed assets:	2,219	1,750	(468)
Buildings	432	433	1
Leased assets	1,389	1,005	(384)
Construction in progress	—	3	3
Other tangible fixed assets	396	307	(89)
Intangible fixed assets:	1,234	3,620	2,386
Other intangible fixed assets	1,234	3,620	2,386
Agency accounts receivable	99	119	20
Reinsurance accounts receivable	1,599	1,650	50
Other assets:	54,377	59,467	5,089
Accounts receivable	35,899	40,994	5,095
Prepaid expenses	3,672	4,525	853
Accrued income	9,276	9,672	396
Advance deposits	2,462	2,645	183
Derivative assets	18	948	930
Cash collateral paid for financial instruments	2,310	20	(2,290)
Suspense payments	655	572	(82)
Other assets	85	87	2
Deferred tax assets	22,434	39,503	17,068
Allowance for possible credit losses	(76)	(51)	24
Total assets	3,738,246	3,962,833	224,586

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

Balance Sheet

	(Millions of yen)		Increase (Decrease)
	As of March 31, 2022	As of March 31, 2023	
	Amount	Amount	
Liabilities:			
Policy reserves:	3,290,913	3,423,777	132,864
Reserve for outstanding claims	40,896	40,758	(137)
Policy reserves	3,245,593	3,378,531	132,937
Reserve for dividends to policyholders	4,423	4,488	64
Agency accounts payable	5,663	5,134	(528)
Reinsurance accounts payable	990	1,075	85
Other liabilities:	280,038	414,812	134,773
Payables under securities lending transactions	228,854	397,672	168,818
Income taxes payable	109	41	(67)
Accounts payable	17,493	602	(16,890)
Accrued expenses	7,747	7,655	(91)
Unearned income	—	0	0
Deposits received	125	130	5
Derivative liabilities	23,578	6,523	(17,054)
Cash collateral received for financial instruments	—	130	130
Lease obligations	1,577	1,154	(423)
Suspense receipts	553	544	(9)
Other liabilities	—	357	357
Reserve for bonus payments to directors	38	25	(12)
Reserve for retirement benefits	4,971	5,316	344
Reserve for possible reimbursement of prescribed claims	936	542	(393)
Reserves under the special laws:	9,969	10,958	988
Reserve for price fluctuation	9,969	10,958	988
Total liabilities	3,593,521	3,861,642	268,121
Net assets:			
Shareholders' equity:			
Common stock	17,250	17,250	—
Capital surplus:	13,333	13,333	—
Capital reserves	13,333	13,333	—
Retained earnings:	95,477	96,422	945
Legal reserve	3,916	3,916	—
Other retained earnings:	91,560	92,505	945
Reserve under Article 10 of the Supplementary Provisions of Ordinance for Enforcement of the Insurance Business Act	325	325	—
Retained earnings carried forward	91,235	92,180	945
Total shareholders' equity	126,060	127,005	945
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	18,664	(25,815)	(44,479)
Total valuation and translation adjustments	18,664	(25,815)	(44,479)
Total net assets	144,725	101,190	(43,534)
Total liabilities and net assets	3,738,246	3,962,833	224,586

Sompo Himawari Life Insurance, Inc. (Non-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)	Increase (Decrease)	Rate of change
	Amount	Amount		
				%
Ordinary income:	493,056	518,504	25,448	5.2
Insurance premiums and other:	436,893	434,473	(2,420)	(0.6)
Insurance premiums	433,472	430,164	(3,307)	(0.8)
Reinsurance income	3,421	4,308	887	25.9
Investment income:	53,709	82,038	28,329	52.7
Interest and dividend income and other:	49,413	54,982	5,569	11.3
Interest and dividends on securities	48,027	53,471	5,444	11.3
Interest on loans	1,248	1,270	21	1.8
Other interest and dividends	137	240	102	74.8
Gains on sales of securities	1,653	18,732	17,078	1,032.7
Gains on redemption of securities	255	—	(255)	(100.0)
Gains on derivatives	464	—	(464)	(100.0)
Foreign exchange gains	153	6,890	6,736	4,386.0
Reversal of allowance for possible credit losses	—	2	2	—
Other investment income	2	0	(1)	(66.1)
Investment gains on special account	1,767	1,430	(337)	(19.1)
Other ordinary income:	2,453	1,992	(461)	(18.8)
Fund receipt for annuity rider	935	434	(501)	(53.6)
Fund receipt for claim deposit payments	1,509	1,257	(251)	(16.7)
Reversal of reserve for outstanding claims	—	137	137	—
Other ordinary income	8	162	154	1,855.1
Ordinary expenses:	466,611	512,173	45,562	9.8
Insurance claims and other:	215,929	253,947	38,017	17.6
Insurance claims	39,023	42,542	3,519	9.0
Annuity payments	11,834	12,144	310	2.6
Insurance benefits	50,100	79,929	29,828	59.5
Surrender benefits	107,023	111,098	4,075	3.8
Other refunds	4,254	4,145	(109)	(2.6)
Reinsurance premiums	3,693	4,086	393	10.6
Provision for policy reserves and other:	147,345	132,937	(14,407)	(9.8)
Provision for reserve for outstanding claims	1,602	—	(1,602)	(100.0)
Provision for policy reserves	145,742	132,937	(12,805)	(8.8)
Provision for interest portion of reserve for dividends to policyholders	0	0	(0)	(3.4)
Investment expenses:	3,461	21,717	18,256	527.5
Interest paid	59	150	91	153.2
Losses on sales of securities	3,261	16,637	13,375	410.1
Losses on derivatives	—	4,773	4,773	—
Provision for allowance for possible credit losses	0	—	(0)	(100.0)
Other investment expenses	139	155	16	11.7
Operating expenses	94,804	99,017	4,212	4.4
Other ordinary expenses:	5,070	4,553	(516)	(10.2)
Claim deposit payments	1,379	1,522	142	10.3
Taxes	2,015	1,994	(20)	(1.0)
Depreciation	497	654	157	31.6
Provision for reserve for retirement benefits	389	344	(44)	(11.5)
Other ordinary expenses	788	37	(750)	(95.2)
Ordinary profit	26,444	6,330	(20,114)	(76.1)
Extraordinary gains:	0	3	2	308.3
Gains on disposal of fixed assets and other	0	3	2	308.3
Extraordinary losses:	956	1,449	492	51.5
Losses on disposal of fixed assets and other	32	16	(15)	(49.0)
Provision for reserves under the special laws:	924	988	63	6.9
Provision for reserve for price fluctuation	924	988	63	6.9
Other extraordinary losses	—	444	444	—
Provision for reserve for dividends to policyholders	3,158	3,371	212	6.7
Net income before income taxes	22,329	1,512	(20,816)	(93.2)
Income taxes	5,717	338	(5,379)	(94.1)
Deferred income taxes	687	229	(458)	(66.7)
Total income taxes	6,405	567	(5,837)	(91.1)
Net income	15,924	945	(14,979)	(94.1)

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 March 31, 2023			
	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	4,668	106.0	228,587	98.1
Individual annuities	50	96.6	2,160	96.8	48	96.2	2,088	96.6
Group insurance	—	—	27,000	99.4	—	—	26,590	98.5
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, %)

	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)			
	Number		Amount		Number		Amount	
		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year
Individual insurance	403	147.0	19,244	89.9	496	122.9	17,241	89.6
Individual annuities	—	—	—	—	—	—	—	—
Group insurance	—	—	239	41.5	—	—	939	392.1
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 March 31, 2023	
		% of previous fiscal year		% of previous fiscal year
Individual insurance	367,324	100.4	370,259	100.8
Individual annuities	15,328	99.6	15,087	98.4
Total	382,652	100.4	385,346	100.7
Medical and survival benefits	173,730	107.6	187,585	108.0

New policies

(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)	
		% of previous fiscal year		% of previous fiscal year
Individual insurance	31,927	118.9	33,250	104.1
Individual annuities	—	—	—	—
Total	31,927	118.9	33,250	104.1
Medical and survival benefits	21,063	140.8	23,667	112.4

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 March 31, 2023
(A) Total Non-consolidated Solvency Margin	389,628	309,186
Capital, etc.	126,060	127,005
Reserve for price fluctuation	9,969	10,958
Contingency reserve	33,462	34,301
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	(35,854)
Unrealized gains and losses on land (85% of gain or 100% of loss)	—	—
Excess amount of continued Zillmerized reserve	161,014	145,353
Subordinated debt, etc.	—	—
Excess amount of continued Zillmerized reserve and subordinated debt, etc. which are excluded from total solvency margin	—	(8,748)
Brought in capital, etc.	—	—
Deductions	—	—
Others	35,787	36,168
(B) Total Non-consolidated Risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	57,302	58,712
Underwriting risk (R_1)	14,226	13,924
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R_8)	11,935	13,089
Guaranteed interest rate risk (R_2)	8,427	8,354
Guaranteed minimum benefit risk (R_7)	400	401
Investment risk (R_3)	40,451	41,622
Business management risk (R_4)	1,508	1,547
(C) Non-consolidated Solvency Margin Ratio [(A) / {(B) × 1/2}] × 100	1,359.8 %	1,053.2 %

Notes)

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

Supplementary Explanation

< Calculation of returns >

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

1. Return on investments (income base)

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

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

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

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

2. Return on investments (realized base)

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

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

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

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

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

The return on investment based on fair value is shown.

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

Denominator is based on fair value of investment assets.

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

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

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

< Calculation of ratios, etc. >

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

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

- Net loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written × 100
- Net operating expenses ratio = (Net commissions and brokerage fees + Operating, general and administrative expenses related to underwriting) / Net premiums written × 100
- Combined ratio = Net loss ratio + Net operating expenses ratio
- 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	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 2) 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	Net income for the period – Gains/losses and impairment losses on investment (after tax)
	Other Businesses	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 group companies.
- Operating income excludes one-time factors (operating income = Net income – Net foreign exchange gains and losses – Net realized and unrealized gains and losses – Net impairment losses recognized in earnings, etc.).

4. Supplementary Data about Financial Results for the fiscal year ended March 31, 2023 at Press Conference

Sompo Japan Insurance Inc. (Non-consolidated)

(1) Key figures

(Yen in hundred millions)

	Fiscal year ended March 31, 2022	Six months ended September 30, 2022	Fiscal year ended March 31, 2023	Increase (Decrease)	Increase (Decrease)
	(A)	(B)	(C)	(C) - (A)	(C) - (B)
1 Net premiums written	21,587	11,620	22,255	667	—
Rate of change	0.8 %	5.1 %	3.1 %	2.3 %	(2.0)%
2 Total assets	73,666	72,184	72,666	(1,000)	481
3 Loss ratio	59.8 %	58.2 %	64.1 %	4.3 %	5.9 %
4 Operating expenses ratio	33.7 %	33.5 %	33.5 %	(0.2)%	0.0 %
5 Combined ratio	93.5 %	91.7 %	97.6 %	4.1 %	5.9 %
Underwriting result ratio	6.5 %	8.3 %	2.4 %	(4.1)%	(5.9)%
6 Voluntary automobile insurance					
• Net premiums written	10,877	5,386	10,832	(45)	—
Rate of change	(0.2)%	(0.8)%	(0.4)%	(0.2)%	0.3 %
• Underwriting result ratio	10.9 %	8.7 %	6.4 %	(4.4)%	(2.3)%
• Loss ratio	56.0 %	57.8 %	60.2 %	4.2 %	2.4 %
• Operating expenses ratio	33.1 %	33.4 %	33.4 %	0.3 %	(0.1)%
7 Fire and allied insurance					
• Net premiums written	3,276	2,188	3,850	573	—
Rate of change	6.9 %	37.9 %	17.5 %	10.6 %	(20.3)%
• Underwriting result ratio	(9.7)%	1.9 %	(14.8)%	(5.1)%	(16.7)%
• Loss ratio	68.6 %	60.6 %	76.7 %	8.1 %	16.1 %
• Operating expenses ratio	41.2 %	37.6 %	38.1 %	(3.1)%	0.6 %
8 Number of employees	22,537	22,106	21,705	(832)	(401)
9 Number of agencies	46,512	45,881	45,273	(1,239)	(608)

<Reference> Consolidated figures of Sompo Holdings, Inc.

(Yen in hundred millions)

	Fiscal year ended March 31, 2022	Six months ended September 30, 2022	Fiscal year ended March 31, 2023	Increase (Decrease)	Increase (Decrease)
	(A)	(B)	(C)	(C) - (A)	(C) - (B)
1 Ordinary income	41,674	25,657	46,071	4,396	—
2 Net premiums written	32,157	21,032	36,707	4,550	—
Rate of change	10.0 %	23.6 %	14.1 %	4.2 %	(9.4)%
3 Life insurance premiums written	3,251	1,568	3,167	(84)	—
Rate of change	(6.1)%	(0.7)%	(2.6)%	3.5 %	(1.9)%
4 Ordinary profit	3,155	(236)	1,225	(1,929)	—
5 Net income attributable to shareholders of the parent	2,248	(200)	911	(1,336)	—

Notes)

1. Loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written
2. Operating expenses ratio = (Net commissions and brokerage fees + Operating, general and administrative expenses related to underwriting) / Net premiums written
3. Combined ratio = Loss ratio + Operating expenses ratio
4. Underwriting result ratio = 1 - Combined ratio
5. Items with % within "Increase (Decrease)" represent change from the fiscal year ended March 31, 2022 and the six months ended September 30, 2022, respectively.

Sampo Japan Insurance Inc. (Non-consolidated)

(2) Other figures

(a) Impairment losses on securities

(Yen in hundred millions)

	Fiscal year ended March 31, 2022	Six months ended September 30, 2022	Fiscal year ended March 31, 2023
Domestic bonds	—	—	—
Domestic stocks	15	13	17
Foreign securities	3	—	2
Others	—	—	—
Total	18	13	19

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, 0.4 billion yen for the six months ended September 30, 2022 and 0.0 billion yen for the fiscal year ended March 31, 2023.

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

Applied rules of impairment loss recognition

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

(b) Impairment losses on fixed assets

(Yen in hundred millions)

	Fiscal year ended March 31, 2022	Six months ended September 30, 2022	Fiscal year ended March 31, 2023
Land	26	—	—
Buildings	19	—	1
Others	—	—	—
Total	45	—	1

(c) Unrealized gains and losses on securities

(Yen in hundred millions)

	As of March 31, 2022	As of September 30, 2022	As of March 31, 2023
Domestic bonds	553	223	167
Domestic stocks	8,849	8,154	9,141
Foreign securities	1,431	859	712
Others	188	59	80
Total	11,021	9,296	10,102

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 5.3 billion yen as of March 31, 2022, 3.1 billion yen as of September 30, 2022 and 3.4 billion yen as of March 31, 2023.

Sampo Japan Insurance Inc. (Non-consolidated)

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

(Yen in hundred millions)

	Fiscal year ended March 31, 2022	Six months ended September 30, 2022	Fiscal year ended March 31, 2023
Direct claims paid a	262	220	905
Net claims paid b	255	220	897
Unpaid claims c	489	796	362
Net incurred loss b + c	744	1,016	1,260

Notes)

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

(e) Catastrophic loss reserve

(Yen in hundred millions, %)

Business line	Fiscal year ended March 31, 2022			Six months ended September 30, 2022			Fiscal year ended March 31, 2023		
	Balance	Balance ratio	Provision	Balance	Balance ratio	Provision	Balance	Balance ratio	Provision
Fire and allied insurance	1,146	35.0	585	1,402	32.1	419	1,156	30.1	937
Marine insurance	455	97.2	14	473	79.4	18	488	88.9	33
Personal accident insurance	812	53.6	48	827	48.7	27	754	49.1	48
Voluntary automobile insurance	1,063	9.8	352	1,162	10.8	174	983	9.1	351
Others	2,034	62.0	107	2,091	56.6	67	2,017	59.7	126
Total	5,512	28.4	1,109	5,958	28.2	707	5,401	26.8	1,496

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, 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	Fiscal year ended March 31, 2022		Fiscal year ended March 31, 2023	
	Reinsurance premiums assumed	Reinsurance claims assumed	Reinsurance premiums assumed	Reinsurance claims assumed
Fire and allied insurance	348	138	455	188
Marine insurance	132	60	151	57
Personal accident insurance	11	5	11	9
Voluntary automobile insurance	1	2	0	0
Compulsory automobile liability insurance	1,388	1,587	1,312	1,445
Others	149	69	176	89
Total	2,031	1,864	2,107	1,790

(g) Reinsurance ceded

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2022		Fiscal year ended March 31, 2023	
	Reinsurance premiums ceded	Reinsurance claims ceded	Reinsurance premiums ceded	Reinsurance claims ceded
Fire and allied insurance	2,027	914	2,137	1,009
Marine insurance	154	57	193	52
Personal accident insurance	65	20	76	46
Voluntary automobile insurance	51	14	48	4
Compulsory automobile liability insurance	1,425	1,686	1,460	1,549
Others	929	349	1,007	306
Total	4,654	3,042	4,923	2,970