



UNOFFICIAL TRANSLATION

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Summary of
Consolidated Financial Results
for the six months ended September 30, 2023
Supplementary Information

November 17, 2023

Sompo Holdings, Inc.

(Securities Code : 8630)

Summary of Consolidated Financial Results for the six months ended September 30, 2023
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1. Overview of Consolidated Financial Results for the six months ended September 30, 2023

(1) Sampo Holdings, Inc.

Overview of Consolidated Financial Results for the six months ended September 30, 2023

(Yen in billions)

		Six months ended September 30, 2022 (April 1 to September 30, 2022)	Six months ended September 30, 2023 (April 1 to September 30, 2023)	Increase (Decrease)	Rate of change
Ordinary income:	(1)	2,525	2,659	133	5.3
Net premiums written:	(2)	2,103	2,088	(14)	(0.7)
Sampo Japan Insurance Inc.	(3)	1,162	1,124	(37)	(3.2)
Overseas consolidated subsidiaries	(4)	904	924	20	2.2
Life insurance premiums written	(5)	156	155	(1)	(0.9)
Ordinary profit:	(6)	(88)	181	269	—
Net income attributable to shareholders of the parent:	(7)	(77)	131	208	—
Sampo Japan Insurance Inc.	(8)	(34)	66	100	—
Overseas consolidated subsidiaries	(9)	(18)	82	101	—
Sampo Himawari Life Insurance, Inc.	(10)	(3)	8	12	—
Nursing Care & Seniors consolidated subsidiaries	(11)	2	3	0	18.7
Others and consolidation adjustment, etc.	(12)	(23)	(29)	(6)	

Note)

Overseas consolidated subsidiaries that have applied International Financial Reporting Standards (IFRS) have applied IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments" from the beginning of the interim period of the fiscal year ending March 31, 2024. Various figures for the six months ended September 30, 2022 after retrospective application of IFRS 17 and 9 have been compared with those for the six months ended September 30, 2023. (The same applies to subsequent tables.) The impact before and after retrospective application for the six months ended September 30, 2022 is as shown in the table below.

The impact of main items in the consolidated statement of income for the six months ended September 30, 2022

(Yen in billions)

		Before retrospective application	After retrospective application	Amount of impact
Ordinary income:	(1)	2,565	2,525	(40)
Investment income	(2)	163	123	(40)
Ordinary expense:	(3)	2,589	2,613	24
Underwriting expenses	(4)	2,142	2,079	(63)
Investment expenses	(5)	53	141	87
Ordinary profit	(6)	(23)	(88)	(64)
Net income attributable to shareholders of the parer	(7)	(20)	(77)	(57)

Note)

Please refer to the note on page 7 1(5) "Changes in Accounting Policies, Changes in Accounting Estimations, and Retrospective Restatements" of the Consolidated Financial Statements for the six months ended September 30, 2023.

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

(Yen in billions)

		Six months ended September 30, 2022 (April 1 to September 30, 2022)	Six months ended September 30, 2023 (April 1 to September 30, 2023)	Increase (Decrease)
Net claims paid	(1)	22	35	13
Change in reserve for outstanding losses and claim:	(2)	79	45	(34)
Net incurred loss	(3)	101	80	(20)

(Reference) SOMPO HOLDINGS' numerical management targets

(Yen in billions)

		Six months ended September 30, 2022 (April 1 to September 30, 2022)	Six months ended September 30, 2023 (April 1 to September 30, 2023)	Increase (Decrease)	Rate of change
Adjusted consolidated profit		50	133	82	161.8
Sampo Japan Insurance Inc.	(9)		28	37	—
Overseas consolidated subsidiaries		51	81	30	60.3

(2) Sompo Japan Insurance Inc.

Summary of Results of Operations

(Yen in billions)

		Six months ended September 30, 2022 (April 1 to September 30, 2022)	Six months ended September 30, 2023 (April 1 to September 30, 2023)	Increase (Decrease)	Rate of change
Ordinary income and expenses:					%
Underwriting income and expenses: ^(Note)					
Direct premiums written	(1)	1,302	1,262	(40)	(3.1)
(+) Net premiums written	(2)	1,162	1,124	(37)	(3.2)
(-) Net claims paid	(3)	618	653	34	5.6
(-) Loss adjustment expenses	(4)	58	59	1	1.9
(-) Net operating expenses:	(5)	388	373	(15)	(4.0)
Net commissions and brokerage fees	(6)	231	219	(11)	(5.1)
Operating, general and administrative expenses related to underwriting	(7)	157	153	(3)	(2.5)
Underwriting result	(8)	96	39	(57)	(59.6)
(-) Change in reserve for outstanding losses and claims	(9)	97	50	(47)	(48.5)
(-) Change in Ordinary Underwriting Reserves	(10)	66	(5)	(72)	(108.9)
(-) Change in Catastrophic Loss Reserve	(11)	44	(12)	(56)	(127.7)
(+) Other underwriting income and expenses	(12)	4	4	0	11.4
Underwriting profit	(13)	(108)	11	120	—
Investment income and expenses:					
(+) Interest and dividend income	(14)	61	60	(0)	(1.2)
(+) Transfer of interest and dividend income on deposits of premiums, etc.	(15)	(14)	(14)	0	—
Net Interest and dividend income	(16)	46	46	(0)	(1.1)
(+) Gains and losses on sales of securities	(17)	12	40	28	239.4
(-) Impairment losses on securities	(18)	1	1	0	11.7
(+) Gains and losses on derivatives	(19)	(4)	(7)	(2)	—
(+) Other investment income and expenses	(20)	10	7	(2)	(27.2)
Gross investment margin	(21)	63	86	22	35.4
(+) Other ordinary income and expenses, etc.	(22)	(5)	(6)	(1)	—
Ordinary profit	(23)	(50)	91	141	—
Extraordinary gains and losses:					
(+) Extraordinary gains	(24)	1	0	(1)	(84.0)
(-) Extraordinary losses	(25)	2	2	(0)	(3.1)
Extraordinary gains and losses	(26)	(0)	(2)	(1)	—
Net income before income taxes	(27)	(50)	88	139	—
(-) Total income taxes	(28)	(16)	22	39	—
Net income	(29)	(34)	66	100	—
Ratios:		%	%	%	
Net loss ratio	(30)	58.2	63.3	5.1	
Net operating expenses ratio	(31)	33.5	33.2	(0.3)	
Combined ratio	(32)	91.7	96.5	4.8	
Reference: Ratios excluding earthquake insurance and compulsory automobile liability insurance					
E/I loss ratio	(33)	70.8	67.4	(3.4)	
E/I combined ratio	(34)	104.6	100.7	(3.9)	

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

(3) Overseas consolidated subsidiaries

Summary of Results of Major items

(Yen in billions)

		Six months ended September 30,2022 (April 1 to September 30, 2022)	Six months ended September 30,2023 (April 1 to September 30, 2023)	Increase (Decrease)	Rate of change
Net premiums written	(1)	904	924	20	2.2%
Underwriting profit	(2)	42	42	(0)	(0.1)
Interest income, etc.	(3)	31	62	30	98.9
Realized and unrealized investment gains and losses	(4)	(135)	11	146	—
Net income attributable to shareholders of the parent	(5)	(18)	82	101	—

Reference: Indicators related to SI commercial insurance

(Yen in billions)

		Six months ended September 30,2022 (April 1 to September 30, 2022)	Six months ended September 30,2023 (April 1 to September 30, 2023)	Increase (Decrease)	Rate of change
Net premiums written	(6)	837	849	12	1.5%
Underwriting profit	(7)	60	49	(11)	(18.8)
E/I loss ratio	(8)	64.8	65.6	0.8	
E/I combined ratio	(9)	89.1	92.1	3.1	
Net incurred loss due to natural disasters	(10)	7	20	13	184.9

Note) This table includes figures for internal performance management. SI stands for Sampo International Holdings Ltd.

(4) Sampo Himawari Life Insurance, Inc.

Summary of Results of Major items

(Yen in billions)

		Six months ended September 30,2022 (April 1 to September 30, 2022)	Six months ended September 30,2023 (April 1 to September 30, 2023)	Increase (Decrease)	Rate of change
Insurance premiums and other	(1)	212	212	0	0.2%
Net premiums written	(2)	152	153	0	0.1
Ordinary profit	(3)	(2)	14	17	—
Net income	(4)	(3)	8	12	—

(5) Sompo Japan Insurance Inc.

Summary of Results of Major items

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

(Yen in billions)

Business line	Six months ended September 30, 2022 (April 1 to September 30, 2022)		Six months ended September 30, 2023 (April 1 to September 30, 2023)		
	Amount	Rate of change	Amount	Increase (Decrease)	Rate of change
Fire and allied insurance	303	26.3	265	(38)	(12.5)
Marine insurance	31	24.0	30	(0)	(1.2)
Personal accident insurance	88	2.7	88	0	0.1
Voluntary automobile insurance	541	(0.8)	541	0	0.1
Compulsory automobile liability insurance	111	(0.7)	98	(12)	(11.0)
Others	227	3.1	237	10	4.4
Total	1,302	6.0	1,262	(40)	(3.1)
Deposits of premiums by policyholders	35	(14.4)	35	0	0.9

(b) Net premiums written

(Yen in billions)

Business line	Six months ended September 30, 2022 (April 1 to September 30, 2022)		Six months ended September 30, 2023 (April 1 to September 30, 2023)		
	Amount	Rate of change	Amount	Increase (Decrease)	Rate of change
Fire and allied insurance	218	37.9	177	(41)	(18.8)
Marine insurance	29	16.8	27	(1)	(6.1)
Personal accident insurance	84	2.2	84	(0)	(0.7)
Voluntary automobile insurance	538	(0.8)	539	0	0.1
Compulsory automobile liability insurance	105	(8.1)	102	(2)	(2.1)
Others	184	2.0	192	7	4.3
Total	1,162	5.1	1,124	(37)	(3.2)
Excluding household earthquake insurance and compulsory automobile liability insurance	1,056	6.6	1,021	(35)	(3.3)

(c) Net claims paid

(Yen in billions)

Business line	Six months ended September 30, 2022 (April 1 to September 30, 2022)		Six months ended September 30, 2023 (April 1 to September 30, 2023)			
	Amount	Net loss ratio	Amount	Increase (Decrease)	Net loss ratio	Increase (Decrease)
Fire and allied insurance	128	60.6	134	6	78.5	17.9
Marine insurance	10	35.7	13	3	50.8	15.1
Personal accident insurance	43	55.3	36	(6)	48.0	(7.3)
Voluntary automobile insurance	275	57.8	301	26	62.7	4.8
Compulsory automobile liability insurance	71	75.9	73	1	79.2	3.3
Others	90	51.6	93	3	51.4	(0.2)
Total	618	58.2	653	34	63.3	5.1
Excluding household earthquake insurance and compulsory automobile liability insurance	545	56.3	580	34	61.8	5.4

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

(Yen in billions)

Business line	Six months ended September 30, 2022 (April 1 to September 30, 2022)			Six months ended September 30, 2023 (April 1 to September 30, 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	11	70	81	21	33	55
Voluntary automobile insurance	10	8	19	12	10	22
Other than the above	0	0	1	1	1	3
Total excluding household earthquake insurance and compulsory automobile liability insurance	22	79	101	35	45	80

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 billions)

Business line	Six months ended September 30, 2022 (April 1 to September 30, 2022)			Six months ended September 30, 2023 (April 1 to September 30, 2023)		
	Amount	Increase (Decrease)	Rate of change	Amount	Increase (Decrease)	Rate of change
Personnel expenses	103	(1)	(1.6)	103	(0)	(0.1)
Non-personnel expenses	109	4	4.5	108	(1)	(1.0)
Others (taxes and contributions)	12	0	2.8	11	(0)	(2.2)
Total	225	3	1.5	223	(1)	(0.6)

(f) Reserve for Outstanding Losses and Claims

(Yen in billions)

Business line	Six months ended September 30, 2022		Six months ended September 30, 2023	
	Balance	Change	Balance	Change
Fire and allied insurance	216	61	182	6
Marine insurance	22	(0)	28	3
Personal accident insurance	51	4	49	1
Voluntary automobile insurance	392	23	422	32
Compulsory automobile liability insurance	60	(1)	63	1
Others	254	10	264	4
Total	998	97	1,010	50

(g) Ordinary Underwriting Reserves

(Yen in billions)

Business line	Six months ended September 30, 2022		Six months ended September 30, 2023	
	Balance	Change	Balance	Change
Fire and allied insurance	826	42	791	(18)
Marine insurance	24	2	27	(3)
Personal accident insurance	137	9	137	8
Voluntary automobile insurance	315	(1)	316	(1)
Compulsory automobile liability insurance	457	(2)	448	(9)
Others	361	17	363	19
Total	2,122	66	2,084	(5)

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 billions)

Business line	Six months ended September 30, 2022				Six months ended September 30, 2023			
	Reversal	Provision	Balance	Balance ratio	Reversal	Provision	Balance	Balance ratio
Fire and allied insurance	16	41	140	32.1	44	34	105	29.6
Marine insurance	—	1	47	79.4	—	1	50	90.4
Personal accident insurance	1	2	82	48.7	—	2	78	46.3
Voluntary automobile insurance	7	17	116	10.8	30	17	85	8.0
Others	0	6	209	56.6	0	7	208	54.0
Total	26	70	595	28.2	75	63	527	25.8

Note) Balance ratio = Balance of catastrophic loss reserve / { Net premiums written (excluding earthquake insurance and compulsory automobile liability insurance) × 2 } × 100

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

Sampo Holdings, Inc. (Consolidated)

(Yen in billions)

	Fiscal year ended March 31, 2023 Result	Fiscal year ending March 31, 2024 Original forecast (A)	Fiscal year ending March 31, 2024 Revised forecast (B)	Increase (Decrease) (B)-(A)
Net premiums written	3,670	3,731	3,780	49
Life insurance premiums written	316	334	337	3
Ordinary profit	49	322	365	43
Net income attributable to shareholders of the parent:	26	230	264	34
Sampo Japan Insurance Inc.	108	180	211	31
Overseas consolidated subsidiaries	9	151	174	22
Sampo Himawari Life Insurance, Inc.	0	15	15	0
Nursing Care & Seniors consolidated subsidiaries	5	6	6	0
Others and consolidation adjustment, etc. ^(Note)	(97)	(123)	(143)	(20)

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 billions)

	Fiscal year ended March 31, 2023 Result	Fiscal year ending March 31, 2024 Original forecast (A)	Fiscal year ending March 31, 2024 Revised forecast (B)	Increase (Decrease) (B)-(A)
Adjusted consolidated profit	152	280	280	—
Sampo Japan Insurance Inc.	33	79	58	(21)
Overseas consolidated subsidiaries	93	150	168	18
Dividends per share (annual)	260 yen	300 yen	300 yen	— yen
Interim Dividends per share	130 yen	150 yen	150 yen	— yen
Year-end Dividends per share	130 yen	150 yen	150 yen	— yen

Sampo Japan Insurance Inc. (Non-consolidated)

(Yen in billions, %)

	Fiscal year ended March 31, 2023 Result	Fiscal year ending March 31, 2024 Original forecast (A)	Fiscal year ending March 31, 2024 Revised forecast (B)	Increase (Decrease) (B)-(A)
Net premiums written	2,225	2,225	2,189	(36)
(Excluding earthquake insurance and compulsory automobile liability insurance)	2,014	2,047	2,008	(39)
Net loss ratio	64.1	64.5	66.8	2.2
(Excluding earthquake insurance and compulsory automobile liability insurance)	62.8	62.4	64.6	2.2
Net operating expenses ratio	33.5	34.4	34.5	0.1
(Excluding earthquake insurance and compulsory automobile liability insurance)	33.9	34.2	34.4	0.2
Combined ratio	97.6	98.9	101.2	2.3
(Excluding earthquake insurance and compulsory automobile liability insurance)	96.7	96.7	99.0	2.4
Underwriting profit	(19)	73	77	4
Gross investment margin	158	167	201	33
Ordinary profit	124	225	263	38
Net income	108	180	211	31

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

E/I loss ratio	67.0	63.0	65.3	2.2
E/I combined ratio	100.9	97.3	99.7	2.4

(Major assumptions of the forecasts of consolidated financial results)

- Assumptions for net premiums written are based on the Company's own projections based on extrapolation from past trends and other factors.
 - The Company is forecasting 104.0 billion yen for net incurred loss (excluding household earthquake insurance) of Sampo Japan Insurance Inc. due to domestic natural disasters that occur during the fiscal year ending March 31, 2024, taking into account results during the six months ended September 30, 2023 and earlier, among other factors.
 - The Company assumes no major change in market interest rates, exchange rates and stock prices from their levels at September 30, 2023.
- The Company's consolidated forecasts were prepared based on information available as of the date of this report. Accordingly, actual results may differ materially from projections depending on various factors in the future.

3. Overview of Business Results of Principal Consolidated Subsidiaries

Sampo Japan Insurance Inc. (Non-consolidated)

Interim Balance Sheet

	(Millions of yen)		
	As of March 31, 2023	As of September 30, 2023	Increase (Decrease)
	Amount	Amount	
Assets:			
Cash and deposits	474,287	536,733	62,445
Receivables under resale agreements	69,999	69,999	0
Monetary receivables bought	20,366	19,791	(574)
Money trusts	21,105	4,736	(16,369)
Securities	5,085,990	5,382,786	296,795
Loans	563,994	425,209	(138,784)
Tangible fixed assets	232,078	229,880	(2,198)
Intangible fixed assets	235,489	248,757	13,268
Other assets	531,253	446,948	(84,305)
Deferred tax assets	40,035	—	(40,035)
Allowance for possible credit losses	(2,751)	(2,878)	(127)
Allowance for possible investment losses	(5,180)	(4,805)	374
Total assets	7,266,668	7,357,158	90,490
Liabilities:			
Underwriting funds:	4,547,526	4,552,765	5,238
Reserve for outstanding losses and claims	960,373	1,010,817	50,443
Underwriting reserves	3,587,152	3,541,948	(45,204)
Corporate bonds	527,000	527,000	—
Other liabilities	589,464	424,101	(165,363)
Reserve for retirement benefits	78,879	80,104	1,225
Reserve for bonus payments	15,240	16,593	1,352
Reserve for bonus payments to directors	87	—	(87)
Reserves under the special laws:	99,792	102,036	2,243
Reserve for price fluctuation	99,792	102,036	2,243
Deferred tax liabilities	—	12,002	12,002
Total liabilities	5,857,992	5,714,603	(143,388)
Net assets:			
Shareholders' equity:			
Common stock	70,000	70,000	—
Capital surplus	70,000	70,000	—
Retained earnings	508,480	574,674	66,194
Total shareholders' equity	648,480	714,674	66,194
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	757,782	926,035	168,253
Deferred gains and losses on hedges	2,412	1,844	(567)
Total valuation and translation adjustments	760,194	927,880	167,685
Total net assets	1,408,675	1,642,554	233,879
Total liabilities and net assets	7,266,668	7,357,158	90,490

Sampo Japan Insurance Inc. (Non-consolidated)

Interim Statement of Income

(Millions of yen)

	Six months ended September 30, 2022 (April 1 to September 30, 2022)	Six months ended September 30, 2023 (April 1 to September 30, 2023)	Increase (Decrease)	Rate of change
	Amount	Amount		
Ordinary income:	1,302,570	1,337,965	35,395	2.7
Underwriting income:	1,214,594	1,221,225	6,631	0.5
Net premiums written	1,162,038	1,124,705	(37,333)	(3.2)
Deposits of premiums by policyholders	35,003	35,305	302	0.9
Interest and dividend income on deposits of premiums, etc.	14,450	14,230	(219)	(1.5)
Reversal of underwriting reserves	—	45,204	45,204	—
Investment income:	81,982	110,334	28,352	34.6
Interest and dividend income	61,328	60,612	(715)	(1.2)
Investment gains on money trusts	1,766	5,691	3,924	222.1
Gains on sales of securities	19,452	45,205	25,753	132.4
Transfer of interest and dividend income on deposits of premiums, etc.	(14,450)	(14,230)	219	—
Other ordinary income	5,993	6,404	411	6.9
Ordinary expenses:	1,352,573	1,246,942	(105,631)	(7.8)
Underwriting expenses:	1,162,187	1,053,213	(108,974)	(9.4)
Net claims paid	618,711	653,322	34,611	5.6
Loss adjustment expenses	58,035	59,127	1,092	1.9
Net commissions and brokerage fees	231,430	219,734	(11,696)	(5.1)
Maturity refunds to policyholders	79,251	69,989	(9,261)	(11.7)
Provision for reserve for outstanding losses and claims	97,984	50,443	(47,540)	(48.5)
Provision for underwriting reserves	76,076	—	(76,076)	(100.0)
Investment expenses:	18,263	24,050	5,786	31.7
Investment losses on money trusts	2	—	(2)	(100.0)
Losses on sales of securities	7,384	4,248	(3,135)	(42.5)
Impairment losses on securities	1,388	1,550	162	11.7
Operating, general and administrative expenses	167,202	164,733	(2,469)	(1.5)
Other ordinary expenses:	4,920	4,946	26	0.5
Interest paid	3,481	3,267	(213)	(6.1)
Ordinary profit (loss)	(50,003)	91,022	141,026	—
Extraordinary gains:	1,653	264	(1,389)	(84.0)
Gains on disposal of fixed assets	1,653	264	(1,389)	(84.0)
Extraordinary losses:	2,596	2,514	(81)	(3.1)
Losses on disposal of fixed assets	467	270	(196)	(42.0)
Provision for reserves under the special laws:	2,128	2,243	115	5.4
Provision for reserve for price fluctuation	2,128	2,243	115	5.4
Net income (loss) before income taxes	(50,946)	88,772	139,718	—
Income taxes	7,018	34,553	27,534	392.3
Deferred income taxes	(23,603)	(11,975)	11,627	—
Total income taxes	(16,584)	22,578	39,162	—
Net income (loss)	(34,361)	66,194	100,555	—
Underwriting result:				
Net premiums written (+)	1,162,038	1,124,705	(37,333)	(3.2)
Net claims paid (—)	618,711	653,322	34,611	5.6
Loss adjustment expenses (—)	58,035	59,127	1,092	1.9
Net operating expenses: (—)	388,843	373,249	(15,593)	(4.0)
Net commissions and brokerage fees	231,430	219,734	(11,696)	(5.1)
Operating, general and administrative expenses related to underwriting	157,412	153,514	(3,897)	(2.5)
Underwriting result	96,448	39,005	(57,443)	(59.6)
Underwriting profit (loss)	(108,564)	11,709	120,274	—
Ratios:				
Net loss ratio (%)	58.2	63.3	5.1	
Net operating expenses ratio (%)	33.5	33.2	(0.3)	
Combined ratio (%)	91.7	96.5	4.8	

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	Six months ended September 30, 2022 (April 1 to September 30, 2022)			Six months ended September 30, 2023 (April 1 to September 30, 2023)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	303,696	23.3	26.3	265,586	21.0	(12.5)
Marine insurance	31,056	2.4	24.0	30,678	2.4	(1.2)
Personal accident insurance	88,255	6.8	2.7	88,366	7.0	0.1
Voluntary automobile insurance	541,044	41.5	(0.8)	541,486	42.9	0.1
Compulsory automobile liability insurance	111,249	8.5	(0.7)	98,978	7.8	(11.0)
Others	227,312	17.5	3.1	237,321	18.8	4.4
Total	1,302,614	100.0	6.0	1,262,418	100.0	(3.1)
Deposits of premiums by policyholders	35,003	—	(14.4)	35,305	—	0.9

Net premiums written

(Millions of yen)

Business line	Six months ended September 30, 2022 (April 1 to September 30, 2022)			Six months ended September 30, 2023 (April 1 to September 30, 2023)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	218,820	18.8	37.9	177,645	15.8	(18.8)
Marine insurance	29,784	2.6	16.8	27,952	2.5	(6.1)
Personal accident insurance	84,923	7.3	2.2	84,366	7.5	(0.7)
Voluntary automobile insurance	538,670	46.4	(0.8)	539,234	47.9	0.1
Compulsory automobile liability insurance	105,032	9.0	(8.1)	102,796	9.1	(2.1)
Others	184,808	15.9	2.0	192,709	17.1	4.3
Total	1,162,038	100.0	5.1	1,124,705	100.0	(3.2)

Net claims paid

(Millions of yen)

Business line	Six months ended September 30, 2022 (April 1 to September 30, 2022)			Six months ended September 30, 2023 (April 1 to September 30, 2023)		
	Amount	Rate of change	Net loss ratio	Amount	Rate of change	Net loss ratio
Fire and allied insurance	128,332	12.2	60.6	134,750	5.0	78.5
Marine insurance	10,061	(13.4)	35.7	13,505	34.2	50.8
Personal accident insurance	43,326	25.5	55.3	36,661	(15.4)	48.0
Voluntary automobile insurance	275,182	5.8	57.8	301,776	9.7	62.7
Compulsory automobile liability insurance	71,785	(7.9)	75.9	73,074	1.8	79.2
Others	90,022	8.0	51.6	93,554	3.9	51.4
Total	618,711	6.3	58.2	653,322	5.6	63.3

Sompo Japan Insurance Inc. (Non-consolidated)

Non-consolidated Solvency Margin Ratio

	(Millions of yen)	
	As of March 31, 2023	As of September 30, 2023
(A) Total Non-consolidated Solvency Margin	2,952,779	3,197,834
Capital and funds, etc.	648,480	673,174
Reserve for price fluctuation	99,792	102,036
Contingency reserve	3,624	4,199
Catastrophic loss reserve	541,683	529,367
General allowance for possible credit losses	172	157
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	935,188	1,146,521
Unrealized gains and losses on land	129,929	135,212
Excess amount of reserve for maturity refunds	—	—
Subordinated debt, etc.	427,000	427,000
Excess amount of reserve for maturity refunds and subordinated debt, etc. which are excluded from total solvency margin	—	—
Deductions	36,213	32,267
Others	203,119	212,431
(B) Total Non-consolidated Risks	947,373	985,619
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
Underwriting risk (R_1)	202,217	203,164
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R_2)	—	—
Guaranteed interest rate risk (R_3)	12,362	12,044
Investment risk (R_4)	692,323	738,866
Business management risk (R_5)	21,983	22,780
Major catastrophe risk (R_6)	192,263	184,930
(C) Non-consolidated Solvency Margin Ratio [(A) / {(B) × 1/2}] × 100	623.3 %	648.8 %

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

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

Interim Balance Sheet

	As of March 31, 2023	As of September 30, 2023	Increase (Decrease)
	Amount	Amount	
(Millions of yen)			
Assets:			
Cash and deposits	17,032	16,087	(944)
Securities	50,419	51,411	991
Tangible fixed assets	351	341	(10)
Intangible fixed assets	7,594	8,497	902
Other assets	6,853	9,593	2,739
Deferred tax assets	1,862	2,052	189
Allowance for possible credit losses	(2)	(0)	1
Total assets	84,112	87,982	3,869
Liabilities:			
Underwriting funds:	62,687	71,214	8,526
Reserve for outstanding losses and claims	25,005	28,022	3,016
Underwriting reserves	37,682	43,192	5,510
Other liabilities	5,641	2,221	(3,420)
Reserve for retirement benefits to directors	15	18	2
Reserve for bonus payments	395	419	23
Reserve for bonus payments to directors	17	10	(6)
Reserves under the special laws:	107	115	8
Reserve for price fluctuation	107	115	8
Total liabilities	68,865	73,999	5,133
Net assets:			
Shareholders' equity:			
Common stock	32,260	32,260	—
Capital surplus	40,692	40,692	—
Retained earnings	(56,242)	(57,329)	(1,086)
Total shareholders' equity	16,709	15,623	(1,086)
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	(1,462)	(1,640)	(177)
Total valuation and translation adjustments	(1,462)	(1,640)	(177)
Total net assets	15,247	13,983	(1,264)
Total liabilities and net assets	84,112	87,982	3,869

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

Interim Statement of Income

		(Millions of yen)			
		Six months ended September 30, 2022 (April 1 to September 30, 2022)	Six months ended September 30, 2023 (April 1 to September 30, 2023)	Increase (Decrease)	Rate of change
		Amount	Amount		%
Ordinary income:		36,724	39,632	2,907	7.9
Underwriting income:		36,550	39,502	2,951	8.1
Net premiums written		36,526	39,473	2,947	8.1
Interest and dividend income on deposits of premiums, etc.		23	28	4	17.5
Investment income:		168	124	(43)	(25.9)
Interest and dividend income		192	134	(57)	(29.9)
Gains on sales of securities		—	18	18	—
Transfer of interest and dividend income on deposits of premiums, etc.		(23)	(28)	(4)	—
Other ordinary income		6	5	(0)	(11.9)
Ordinary expenses:		37,747	40,890	3,143	8.3
Underwriting expenses:		30,213	33,351	3,137	10.4
Net claims paid		18,332	21,691	3,358	18.3
Loss adjustment expenses		2,227	2,387	159	7.2
Net commissions and brokerage fees		673	742	68	10.2
Provision for reserve for outstanding losses and claims		1,792	3,016	1,224	68.3
Provision for underwriting reserves		7,183	5,510	(1,673)	(23.3)
Investment expenses:		1	19	18	1,434.7
Losses on sales of securities		—	19	19	—
Impairment losses on securities		1	—	(1)	(100.0)
Operating, general and administrative expenses		7,491	7,457	(33)	(0.5)
Other ordinary expenses:		41	62	21	50.8
Interest paid		2	2	(0)	(0.9)
Ordinary loss		(1,022)	(1,258)	(235)	—
Extraordinary losses:		13	8	(4)	(35.8)
Losses on disposal of fixed assets		0	0	0	9,834,900.0
Impairment losses		4	—	(4)	(100.0)
Provision for reserves under the special laws:		9	8	(0)	(9.3)
Provision for reserve for price fluctuation		9	8	(0)	(9.3)
Net loss before income taxes		(1,036)	(1,266)	(230)	—
Income taxes		57	7	(49)	(86.2)
Deferred income taxes		(290)	(188)	101	—
Total income taxes		(232)	(180)	52	—
Net loss		(803)	(1,086)	(282)	—
Underwriting result:					
Net premiums written	(+)	36,526	39,473	2,947	8.1
Net claims paid	(-)	18,332	21,691	3,358	18.3
Loss adjustment expenses	(-)	2,227	2,387	159	7.2
Net operating expenses:	(-)	8,130	8,121	(8)	(0.1)
Net commissions and brokerage fees		673	742	68	10.2
Operating, general and administrative expenses related to underwriting		7,457	7,379	(77)	(1.0)
Underwriting result		7,834	7,273	(561)	(7.2)
Underwriting profit (loss)		(1,100)	(1,229)	(128)	—
Ratios:					
Net loss ratio	(%)	56.3	61.0	4.7	
Net operating expenses ratio	(%)	22.3	20.6	(1.7)	
Combined ratio	(%)	78.6	81.6	3.0	

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

Non-consolidated Solvency Margin Ratio

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
(A) Total Non-consolidated Solvency Margin	19,323	17,256
Capital and funds, etc.	16,709	15,623
Reserve for price fluctuation	107	115
Contingency reserve	11	11
Catastrophic loss reserve	3,915	3,106
General allowance for possible credit losses	0	0
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	(1,421)	(1,600)
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	9,442	10,306
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
Underwriting risk (R_1)	7,612	7,993
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R_2)	—	—
Guaranteed interest rate risk (R_3)	13	13
Investment risk (R_4)	1,747	1,769
Business management risk (R_5)	320	346
Major catastrophe risk (R_6)	1,309	1,769
(C) Non-consolidated Solvency Margin Ratio [(A) / ((B) × 1/2)] × 100	409.2 %	334.8 %

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

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

Interim Balance Sheet

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023	Increase (Decrease)
	Amount	Amount	
Assets:			
Cash and deposits	79,308	153,265	73,957
Securities:	3,735,314	3,835,004	99,689
Government bonds	2,693,598	2,863,769	170,170
Municipal bonds	56,732	59,342	2,609
Corporate bonds	380,019	389,522	9,503
Domestic stocks	10,424	12,041	1,617
Foreign securities	587,130	500,227	(86,902)
Loans:	42,150	43,023	872
Policy loans	42,148	43,023	874
Ordinary loans	2	—	(2)
Tangible fixed assets	1,750	1,685	(64)
Intangible fixed assets	3,620	3,609	(11)
Agency accounts receivable	119	126	7
Reinsurance accounts receivable	1,650	1,370	(279)
Other assets:	59,467	50,212	(9,254)
Deferred tax assets	39,503	12,080	(27,422)
Allowance for possible credit losses	(51)	(55)	(3)
Total assets	3,962,833	4,100,324	137,490
Liabilities:			
Policy reserves:	3,423,777	3,490,709	66,931
Reserve for outstanding claims	40,758	39,621	(1,137)
Policy reserves	3,378,531	3,446,444	67,913
Reserve for dividends to policyholders	4,488	4,643	155
Agency accounts payable	5,134	4,513	(620)
Reinsurance accounts payable	1,075	1,027	(47)
Other liabilities	414,812	407,636	(7,176)
Reserve for bonus payments to directors	25	—	(25)
Reserve for retirement benefits	5,316	5,583	266
Reserve for possible reimbursement of prescribed claims	542	291	(251)
Reserves under the special laws:	10,958	11,496	538
Reserve for price fluctuation	10,958	11,496	538
Total liabilities	3,861,642	3,921,257	59,614
Net assets:			
Shareholders' equity:			
Common stock	17,250	17,250	—
Capital surplus	13,333	13,333	—
Retained earnings	96,422	105,296	8,873
Total shareholders' equity	127,005	135,879	8,873
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	(25,815)	43,187	69,002
Total valuation and translation adjustments	(25,815)	43,187	69,002
Total net assets	101,190	179,066	77,876
Total liabilities and net assets	3,962,833	4,100,324	137,490

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

Interim Statement of Income

(Millions of yen)

	Six months ended September 30, 2022 (April 1 to September 30, 2022)	Six months ended September 30, 2023 (April 1 to September 30, 2023)	Increase (Decrease)	Rate of change
	Amount	Amount		
Ordinary income:	251,896	274,909	23,012	9.1
Insurance premiums and other:	212,327	212,811	483	0.2
Insurance premiums	210,692	210,739	46	0.0
Investment income:	39,040	60,242	21,202	54.3
Interest and dividend income and other	27,038	29,047	2,008	7.4
Gains on sales of securities	7,165	26,306	19,140	267.1
Investment gains on special account	—	3,306	3,306	—
Other ordinary income:	528	1,854	1,326	251.2
Reversal of reserve for outstanding claims	—	1,137	1,137	—
Ordinary expenses:	254,341	260,171	5,829	2.3
Insurance claims and other:	116,883	109,364	(7,519)	(6.4)
Insurance claims	18,851	19,826	975	5.2
Annuity payments	5,537	5,287	(250)	(4.5)
Insurance benefits	34,660	26,563	(8,096)	(23.4)
Surrender benefits	53,711	53,785	74	0.1
Other refunds	2,134	1,860	(273)	(12.8)
Provision for policy reserves and other:	79,013	67,913	(11,099)	(14.0)
Provision for reserve for outstanding claims	13,311	—	(13,311)	(100.0)
Provision for policy reserves	65,701	67,913	2,212	3.4
Provision for interest portion of reserve for dividends to policyholders	0	0	(0)	(3.2)
Investment expenses:	8,797	34,686	25,888	294.3
Interest paid	45	34	(10)	(23.9)
Losses on sales of securities	7,635	30,247	22,612	296.2
Losses on derivatives	846	4,334	3,487	411.8
Investment losses on special account	196	—	(196)	(100.0)
Operating expenses	47,371	45,676	(1,695)	(3.6)
Other ordinary expenses	2,275	2,531	255	11.2
Ordinary profit (loss)	(2,445)	14,737	17,182	—
Extraordinary losses:	483	586	102	21.3
Losses on disposal of fixed assets and other	0	0	(0)	(100.0)
Provision for reserves under the special laws:	483	538	54	11.3
Provision for reserve for price fluctuation	483	538	54	11.3
Other extraordinary losses	—	48	48	—
Provision for reserve for dividends to policyholders	2,229	1,767	(461)	(20.7)
Net income (loss) before income taxes	(5,157)	12,383	17,541	—
Income taxes	645	2,922	2,276	352.7
Deferred income taxes	(2,025)	588	2,613	—
Total income taxes	(1,380)	3,510	4,890	—
Net income (loss)	(3,777)	8,873	12,650	—

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

Major Business Results

Total amount of policies in force

(Number in thousands, Yen in billions, %)

	As of March 31, 2023				As of September 30, 2023			
	Number		Amount		Number		Amount	
		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year
Individual insurance	4,668	106.0	22,858	98.1	4,778	102.3	22,629	99.0
Individual annuities	48	96.2	208	96.6	47	97.5	205	98.3
Group insurance	—	—	2,659	98.5	—	—	2,625	98.7
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 billions, %)

	Six months ended September 30, 2022 (April 1 to September 30, 2022)				Six months ended September 30, 2023 (April 1 to September 30, 2023)			
	Number		Amount		Number		Amount	
		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year
Individual insurance	260	192.1	871	88.9	226	87.0	864	99.3
Individual annuities	—	—	—	—	—	—	—	—
Group insurance	—	—	30	176.4	—	—	37	123.6
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, 2023		As of September 30, 2023	
		% of previous fiscal year		% of previous fiscal year
Individual insurance	370,259	100.8	372,774	100.7
Individual annuities	15,087	98.4	15,192	100.7
Total	385,346	100.7	387,966	100.7
Medical and survival benefits	187,585	108.0	192,644	102.7

New policies

(Millions of yen, %)

	Six months ended September 30, 2022 (April 1 to September 30, 2022)		Six months ended September 30, 2023 (April 1 to September 30, 2023)	
		% of previous fiscal year		% of previous fiscal year
Individual insurance	17,123	130.1	16,313	95.3
Individual annuities	—	—	—	—
Total	17,123	130.1	16,313	95.3
Medical and survival benefits	12,315	157.2	10,124	82.2

Notes)

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

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

Non-consolidated Solvency Margin Ratio

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
(A) Total Non-consolidated Solvency Margin	309,186	418,054
Capital, etc.	127,005	135,961
Reserve for price fluctuation	10,958	11,496
Contingency reserve	34,301	34,638
General allowance for possible credit losses	1	0
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)	(35,854)	53,984
Unrealized gains and losses on land (85% of gain or 100% of loss)	—	—
Excess amount of continued Zillmerized reserve	145,353	142,394
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	36,168	39,577
(B) Total Non-consolidated Risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	58,712	73,721
Underwriting risk (R_1)	13,924	13,709
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R_8)	13,089	13,645
Guaranteed interest rate risk (R_2)	8,354	8,324
Guaranteed minimum benefit risk (R_7)	401	403
Investment risk (R_3)	41,622	57,705
Business management risk (R_4)	1,547	1,875
(C) Non-consolidated Solvency Margin Ratio [(A) / {(B) × 1/2}] × 100	1,053.2 %	1,134.1 %

Notes)

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

Supplementary Explanation

< Calculation of ratios, etc. >

- Underwriting profit = Underwriting income - Underwriting expenses - Operating, general and administrative expenses related to underwriting + Other income and expenses*
 - *Other income and expenses include, but not limited to, income tax expenses for compulsory automobile liability insurance.
- Net loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written × 100
- Net operating expenses ratio = (Net commissions and brokerage fees + Operating, general and administrative expenses related to underwriting) / Net premiums written × 100
- Combined ratio = Net loss ratio + Net operating expenses ratio
- E/I^(Note1) loss ratio = (Net claims paid + Reserve for outstanding losses and claims at the end of this period - Reserve for outstanding losses and claims at the end of the previous fiscal year + Loss adjustment expenses) / Net earned premiums^(Note2) × 100

Notes)

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

< Non-consolidated solvency margin ratio >

- In addition to reserves to cover payments for claims, benefits and maturity refunds, etc., it is necessary for insurance companies to maintain sufficient solvency in order to cover against risks which exceed their normal estimates, i.e. occurrence of major catastrophes, fluctuation in mortality rate due to significant changes in key environmental factors and big decline in value of assets held by insurance companies.
- (C) Non-consolidated Solvency Margin Ratio, which is calculated in accordance with the Insurance Business Act, etc. is the ratio of “solvency margin of insurance companies by means of their capital, reserves, etc.” ((A) Total Non-consolidated Solvency Margin) to “risks which exceed their normal estimates” ((B) Total Non-consolidated Risks).
- “Risks which exceed their normal estimates” are composed of risks described below.
 - <1> Underwriting risk, Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance: Risks of rate of occurrence of insurance claims, etc. in excess of normal estimates (excluding risks relating to major catastrophes)
 - <2> Guaranteed interest rate risk: Risks of invested assets failing to yield assumed interest rates due to the aggravation of investment conditions
 - <3> Investment risk: Risks of securities and other assets held fluctuating in prices in excess of normal estimates
 - <4> Business management risk: Risks beyond normal estimates arising from business management that do not fall under other categories
 - <5> Major catastrophe risk: Risks of the occurrence of major catastrophic losses in excess of normal estimates (risks such as the Great Kanto Earthquake or Isewan Typhoon)
 - <6> Guaranteed minimum benefit risk: Risks of special account assets fluctuating in prices in excess of normal estimates
- “Solvency margin of insurance companies by means of their capital, reserves, etc.” (total non-consolidated solvency margin) is the sum of total net assets (excluding planned outflows), certain reserves (reserve for price fluctuation, contingency reserve and catastrophic loss reserve, etc.) and parts of unrealized gains and losses on land, etc.
- Solvency margin ratio is one of the indicators for the regulatory authorities to monitor financial soundness of insurance companies. Solvency margin ratio exceeding 200% would indicate adequate capability to meet payments of possible insurance claims and others.

< Adjusted consolidated profit >

		Calculation method
Adjusted profit by business segment (Note 1)	Domestic P&C Insurance Business	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 Business	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 six months ended September 30, 2023 at Press Conference

Sompo Japan Insurance Inc. (Non-consolidated)

(1) Key figures

(Yen in billions)

	Six months ended September 30, 2022	Fiscal year ended March 31, 2023	Six months ended September 30, 2023	Increase (Decrease)	Increase (Decrease)
	(A)	(B)	(C)	(C) - (B)	(C) - (A)
1 Net premiums written	1,162	2,225	1,124	—	(37)
Rate of change	5.1 %	3.1 %	(3.2)%	(6.3)%	(8.3)%
2 Total assets	7,218	7,266	7,357	90	138
3 Loss ratio	58.2 %	64.1 %	63.3 %	(0.8)%	5.1 %
4 Operating expenses ratio	33.5 %	33.5 %	33.2 %	(0.3)%	(0.3)%
5 Combined ratio	91.7 %	97.6 %	96.5 %	(1.1)%	4.8 %
Underwriting result ratio	8.3 %	2.4 %	3.5 %	1.1 %	(4.8)%
6 Voluntary automobile insurance					
• Net premiums written	538	1,083	539	—	0
Rate of change	(0.8)%	(0.4)%	0.1 %	0.5 %	0.9 %
• Underwriting result ratio	8.7 %	6.4 %	3.7 %	(2.7)%	(5.0)%
• Loss ratio	57.8 %	60.2 %	62.7 %	2.4 %	4.8 %
• Operating expenses ratio	33.4 %	33.4 %	33.6 %	0.3 %	0.2 %
7 Fire and allied insurance					
• Net premiums written	218	385	177	—	(41)
Rate of change	37.9 %	17.5 %	(18.8)%	(36.3)%	(56.7)%
• Underwriting result ratio	1.9 %	(14.8)%	(15.2)%	(0.4)%	(17.1)%
• Loss ratio	60.6 %	76.7 %	78.5 %	1.8 %	17.9 %
• Operating expenses ratio	37.6 %	38.1 %	36.7 %	(1.4)%	(0.8)%
8 Number of employees	22,106	21,705	21,123	(582)	(983)
9 Number of agencies	45,881	45,273	44,645	(628)	(1,236)

<Reference> Consolidated figures of Sompo Holdings, Inc.

(Yen in billions)

	Six months ended September 30, 2022	Fiscal year ended March 31, 2023	Six months ended September 30, 2023	Increase (Decrease)	Increase (Decrease)
	(A)	(B)	(C)	(C) - (B)	(C) - (A)
1 Ordinary income	2,525	4,525	2,659	—	133
2 Net premiums written	2,103	3,670	2,088	—	(14)
Rate of change	23.6 %	14.1 %	(0.7)%	(14.8)%	(24.3)%
3 Life insurance premiums written	156	316	155	—	(1)
Rate of change	(0.7)%	(2.6)%	(0.9)%	1.7 %	(0.2)%
4 Ordinary profit	(88)	49	181	—	269
5 Net income attributable to shareholders of the parent	(77)	26	131	—	208

Notes)

- Loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written
- Operating expenses ratio = (Net commissions and brokerage fees + Operating, general and administrative expenses related to underwriting) / Net premiums written
- Combined ratio = Loss ratio + Operating expenses ratio
- Underwriting result ratio = 1 - Combined ratio
- Items with % within "Increase (Decrease)" represent change from the fiscal year ended March 31, 2023 and the six months ended September 30, 2022, respectively.
- Overseas consolidated subsidiaries that have applied the International Financial Reporting Standards (IFRS) have applied IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments" from the beginning of the interim period of the fiscal year ending March 31, 2024. Accordingly, the figures for the six months ended September 30, 2022 and the fiscal year ended March 31, 2023 have reflected the retrospective application of these accounting standards, etc.

Sompo Japan Insurance Inc. (Non-consolidated)

(2) Other figures

(a) Impairment losses on securities

(Yen in billions)

	Six months ended September 30, 2022	Fiscal year ended March 31, 2023	Six months ended September 30, 2023
Domestic bonds	-	-	-
Domestic stocks	1	1	1
Foreign securities	-	0	-
Others	-	-	-
Total	1	1	1

Note) Besides the above, impairment losses on trust assets (securities) in money trusts other than trading purposes or held to maturity amount to 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, Sompo 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 billions)

	Six months ended September 30, 2022	Fiscal year ended March 31, 2023	Six months ended September 30, 2023
Land	-	-	-
Buildings	-	0	-
Others	-	-	-
Total	-	0	-

(c) Unrealized gains and losses on securities

(Yen in billions)

	As of September 30, 2022	As of March 31, 2023	As of September 30, 2023
Domestic bonds	22	16	(13)
Domestic stocks	815	914	1,112
Foreign securities	85	71	123
Others	5	8	15
Total	929	1,010	1,237

Notes)

1. Unrealized gains and losses on monetary receivables bought are included in "Others" above.
2. Besides the above, unrealized gains and losses on trust assets (securities) in money trusts other than trading purposes or held to maturity amount to 3.1 billion yen as of September 30, 2022, 3.4 billion yen as of March 31, 2023 and 0.0 billion yen as of September 30, 2023.

Sampo Japan Insurance Inc. (Non-consolidated)

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

(Yen in billions)

	Six months ended September 30, 2022	Fiscal year ended March 31, 2023	Six months ended September 30, 2023
Direct claims paid a	22	90	35
Net claims paid b	22	89	35
Unpaid claims c	79	36	45
Net incurred loss b + c	101	126	80

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 billions,%)

Business line	Six months ended September 30, 2022			Fiscal year ended March 31, 2023			Six months ended September 30, 2023		
	Balance	Balance ratio	Provision	Balance	Balance ratio	Provision	Balance	Balance ratio	Provision
Fire and allied insurance	140	32.1	41	115	30.1	93	105	29.6	34
Marine insurance	47	79.4	1	48	88.9	3	50	90.4	1
Personal accident insurance	82	48.7	2	75	49.1	4	78	46.3	2
Voluntary automobile insurance	116	10.8	17	98	9.1	35	85	8.0	17
Others	209	56.6	6	201	59.7	12	208	54.0	7
Total	595	28.2	70	540	26.8	149	527	25.8	63

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 and 2023, 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 billions)

Business line	Six months ended September 30, 2022		Six months ended September 30, 2023	
	Reinsurance premiums assumed	Reinsurance claims assumed	Reinsurance premiums assumed	Reinsurance claims assumed
Fire and allied insurance	27	8	25	20
Marine insurance	9	2	7	5
Personal accident insurance	0	0	0	0
Voluntary automobile insurance	0	0	0	0
Compulsory automobile liability insurance	65	71	63	73
Others	8	5	10	4
Total	112	88	106	103

(g) Reinsurance ceded

(Yen in billions)

Business line	Six months ended September 30, 2022		Six months ended September 30, 2023	
	Reinsurance premiums ceded	Reinsurance claims ceded	Reinsurance premiums ceded	Reinsurance claims ceded
Fire and allied insurance	112	81	113	18
Marine insurance	10	1	10	3
Personal accident insurance	3	1	4	1
Voluntary automobile insurance	2	0	2	0
Compulsory automobile liability insurance	71	77	59	81
Others	51	12	54	16
Total	252	175	244	122