

Review of Operations

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Financial and Non-Financial Highlights

Consolidated Indicators for Sampo Holdings

| | (Millions of yen) | | | | | (Millions of U.S. dollars) |
|----------------------------------------------------------------------------------|-------------------|-------------|-------------|-------------|-------------|----------------------------|
| | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | FY2015 |
| Key Figures | | | | | | |
| Ordinary Income | 2,790,555 | 2,843,226 | 3,008,339 | 3,282,343 | 3,256,186 | 28,897 |
| Net Premiums Written (P&C Insurance) | 1,973,777 | 2,062,606 | 2,268,967 | 2,508,031 | 2,552,193 | 22,649 |
| Life Insurance Premiums | 250,193 | 264,732 | 277,230 | 277,208 | 297,696 | 2,641 |
| Ordinary Profit (Loss) | (51,815) | 104,783 | 112,391 | 208,309 | 216,853 | 1,924 |
| Net Income (Loss) Attributable to Shareholders of the Parent | (92,262) | 43,618 | 44,169 | 54,276 | 159,581 | 1,416 |
| Comprehensive Income | (48,098) | 319,047 | 149,965 | 469,485 | (116,689) | (1,035) |
| Per Share Information (Yen, dollar) | | | | | | |
| Net Income (Loss) | (222.30) | 105.10 | 106.98 | 132.85 | 394.21 | 3.49 |
| Dividends | 80.0 | 60.0 | 60.0 | 70.0 | 80.0 | 0.70 |
| (Of which, Interim) | — | — | 30.0 | 30.0 | 40.0 | 0.35 |
| Diluted Net Income | — | 104.87 | 106.77 | 132.61 | 393.66 | 3.49 |
| Financial Condition | | | | | | |
| Total Net Assets | 1,000,577 | 1,283,488 | 1,390,153 | 1,829,852 | 1,652,839 | 14,668 |
| Total Assets | 8,893,378 | 9,178,198 | 9,499,799 | 10,253,431 | 10,186,746 | 90,404 |
| Equity Ratio (%) | 11.2 | 13.9 | 14.5 | 17.8 | 16.1 | 16.1 |
| Consolidated Solvency Margin Ratio (%) | 549.8 | 688.3 | 783.1 | 803.4 | 851.4 | 851.4 |
| Stock Information (Shares) | | | | | | |
| Number of Shares Outstanding (Excluding treasury stock) | 414,825,205 | 414,726,157 | 411,284,208 | 408,037,848 | 404,162,514 | 404,162,514 |
| Adjusted Financial Indicators | | | | | | |
| Adjusted Consolidated Profit (Billions of yen) | 1.2 | 111.6 | 101.5 | 138.3 | 215.5 | 1,912 |
| Adjusted Consolidated ROE (%) | 0.1 | 5.4 | 4.3 | 5.2 | 7.8 | 7.8 |
| ESG Data | | | | | | |
| Greenhouse Gas Emissions (Scope 1-3) (t-CO ₂) ¹ | 134,833 | 136,665 | 139,736 | 155,140 | 151,704 | 151,704 |
| Human Resources Development in Environmental Field (Persons) ² | 2,776 | 9,479 | 7,412 | 7,394 | 6,585 | 6,585 |
| Ratio of Female Employees in Managerial Positions (%) | 4.0 | 5.3 | 5.0 | 7.3 | 12.9 | 12.9 |
| Number of Employees Participating in Volunteer Activities (Persons) ³ | 38,291 | 33,236 | 29,632 | 42,752 | 40,906 | 40,906 |
| Percentage of Outside Directors (%) | 50.0 | 50.0 | 25.0 | 33.3 | 33.3 | 33.3 |
| Attendance of Outside Directors at Meetings of the Board of Directors (%) | 94.8 | 98.9 | 100.0 | 100.0 | 98.3 | 98.3 |

Notes: 1. Sampo Holdings carried out a reverse split of stocks to combine common stocks at a ratio of four shares to one share on October 1, 2011. Number of shares, net income per share, and dividends per share are calculated based on the assumption that the reverse split of stocks was executed at the beginning of FY2010.

2. Diluted net income per share for FY2011 is not shown due to net loss per share.

3. From the end of FY2011, the consolidated solvency margin ratio as the standard of consolidated financial soundness is calculated in accordance with the related laws and regulations including the Ordinance for Enforcement of the Insurance Business Act, revised on March 31, 2011. In the consolidated solvency margin ratio presented above, the figures for FY2012 and before and the figures for FY2013 and after are calculated on a different basis, reflecting the law revision concerning the standards for the calculation of the solvency margin ratio that was enforced at the end of FY2013.

4. Reflecting amendments to the "Accounting Standard for Business Combinations," etc., the presentation of "net income" was amended to "net income attributable to shareholders of the parent."

5. See page 50 for the calculation method for adjusted consolidated profit and adjusted consolidated ROE.

6. U.S. dollar amounts are translated from yen at the rate of ¥112.68=U.S. \$1.00, the approximate rate prevailing at March 31, 2016.

*1. Figures are the total of Scope 1 (direct emissions due to use of gasoline, etc.), Scope 2 (indirect emissions from electricity and other energy sources), and Scope 3 (indirect emissions across entire value chains, including transport and business trips). Since fiscal 2012, the Group has been issued an Assurance Statement by a third-party certification organization annually. The coverage of the survey is as follows.

Fiscal 2011: Sampo Japan Insurance Inc. and NIPPONKOA Insurance Company, Limited; fiscal 2012: Sampo Japan Insurance Inc. and NIPPONKOA Insurance Company, Limited (including consolidated subsidiaries); fiscal 2013 and fiscal 2014: Sampo Japan Insurance Inc. (including consolidated subsidiaries) and NIPPONKOA Insurance Company, Limited (including consolidated subsidiaries); fiscal 2015: Main consolidated subsidiaries and operating companies of Sampo Japan Nipponkoa Holdings, Inc.

*2. Total number of people who participated in the SAVE JAPAN Project, a community-based biodiversity conservation program in all prefectures of Japan; Public Seminars on the Environment; and the CSO Learning Scholarship Program, which provides an internship program for university students in environmental NGOs

*3. Total number of employees who participated in volunteer activities and the number of employees who are members of the volunteer organization Sampo Chikyu (Earth) Club Social Contribution Fund

Performance Review

Net premiums written increased 44.1 billion yen year on year, to 2,552.1 billion yen, mainly due to higher revenues from Sampo Japan Nipponkoa Insurance Inc.

Life insurance premiums written rose 20.4 billion yen year on year, to 297.6 billion yen, thanks to favorable sales of medical insurance.

Ordinary profit was up 8.5 billion yen year on year, to 216.8 billion yen, due to an increase in the underwriting profit of Sampo Japan Nipponkoa Insurance Inc. and other factors.

Net income attributable to shareholders of the parent grew 105.3 billion yen year on year, to 159.5 billion yen, which primarily reflected the absence of one-time costs arising from the merger that formed Sampo Japan Nipponkoa Insurance Inc.

Adjusted consolidated profit and adjusted consolidated ROE, which are key indicators, improved significantly as a result of dramatic enhancement of the profitability of the domestic P&C insurance business.

Rating Information

(As of June 2, 2016)

| Rating Agency | Object | Sampo Japan Nipponkoa | Sampo Japan Nipponkoa Himawari Life |
|-----------------------------------------------|----------------------------------------|-----------------------|-------------------------------------|
| Standard & Poor's | Financial Strength Rating | A+ | A+ |
| Moody's | Insurance Financial Strength Rating | A1 | — |
| Rating and Investment Information, Inc. (R&I) | Issuer Rating | AA- | — |
| | Insurance Claims Paying Ability | — | AA- |
| Japan Credit Rating Agency, Ltd. (JCR) | Ability to Pay Insurance Claims Rating | AA+ | — |
| A.M.Best | Financial Strength Ratings | A+ | — |

Inclusion in Socially Responsible Investment (SRI) Indices

Sampo Japan Nipponkoa Holdings, Inc., is included in the following SRI indexes (as of July 1, 2016).

Dow Jones Sustainability Indices (DJSI World, DJSI Asia Pacific)

DJSI World is a leading global SRI index of companies that are leaders in sustainability, as assessed from their approach toward ESG (environment, social, and governance) issues.

This is the sixth consecutive year for Sampo Holdings to be included in the index and the 16th consecutive year for Sampo Japan Nipponkoa Insurance.

FTSE4Good Index Series

The FTSE4Good Index Series is a group of SRI indexes that evaluate the performances of companies that meet globally recognized corporate responsibility standards, including such ESG issues as environmental and human rights.

MSCI Global Sustainability Indexes / MSCI Global SRI Indexes

These indexes comprise companies from various industries that have earned high evaluations in relation to the environment, society, and governance.

ECPI Global Developed ESG Best-in-Class Equity Index

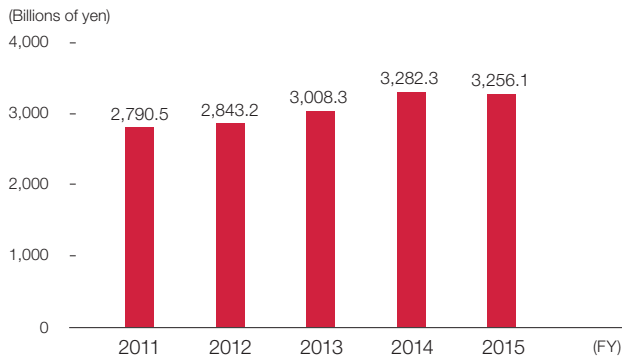
ECPI Global Developed ESG Best-in-class Equity Index comprises stocks with high ESG evaluations.

Morningstar Socially Responsible Investment Index

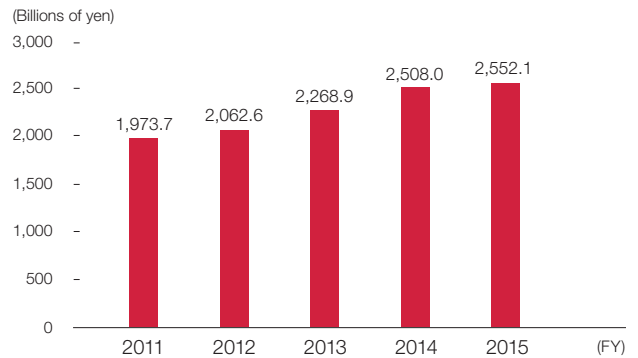
The Morningstar Socially Responsible Investment Index was developed as Japan's first SRI investment index comprising Japanese companies.



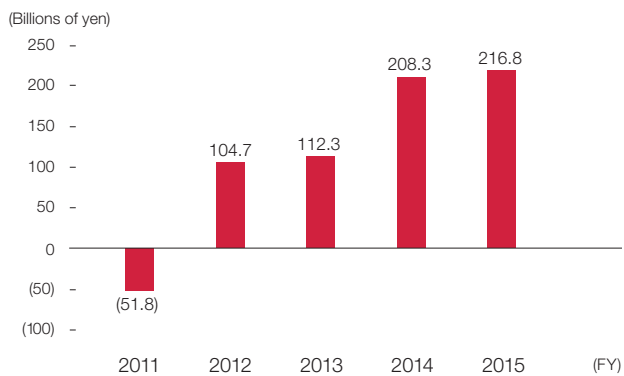
Ordinary Income



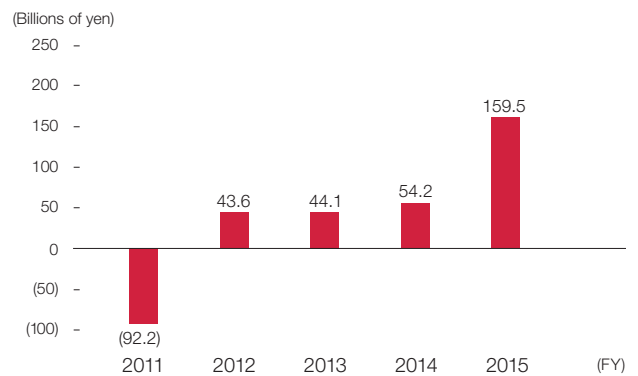
Net Premiums Written (P&C Insurance)



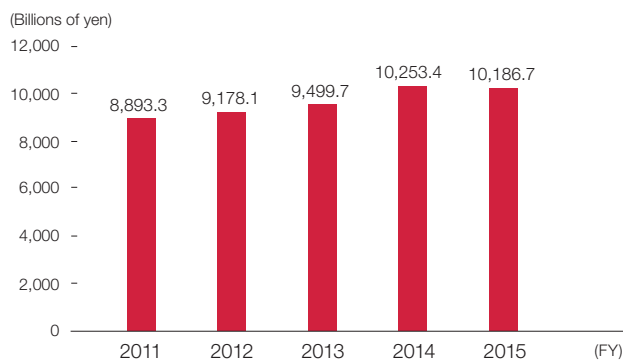
Ordinary Profit (Loss)



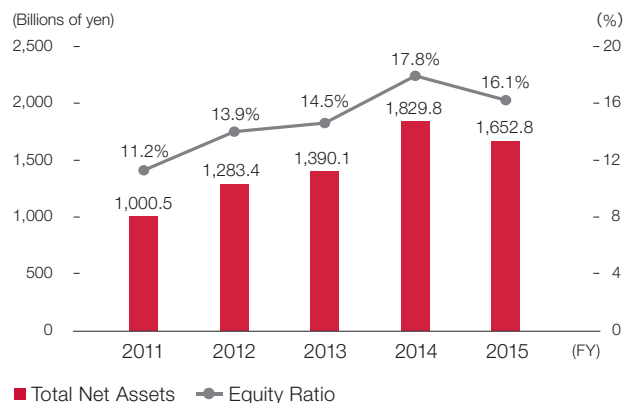
Net Income (Loss) Attributable to Shareholders of the Parent



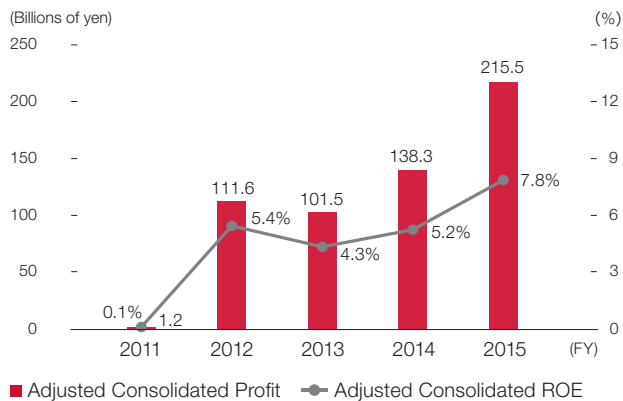
Total Assets



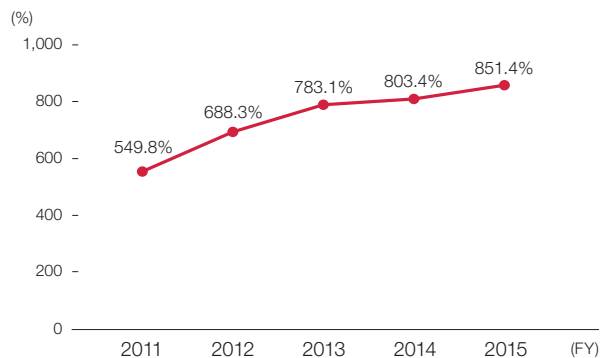
Total Net Assets / Equity Ratio



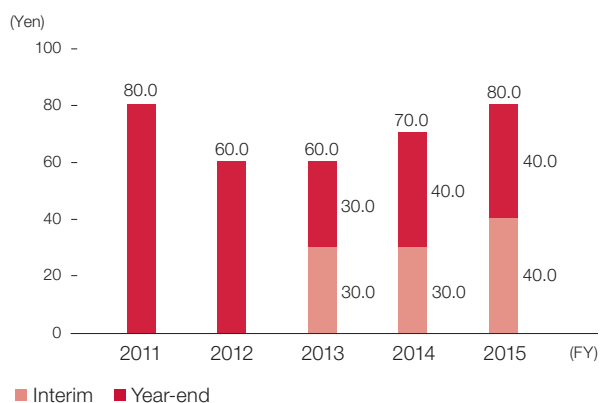
Adjusted Consolidated Profit / Adjusted Consolidated ROE



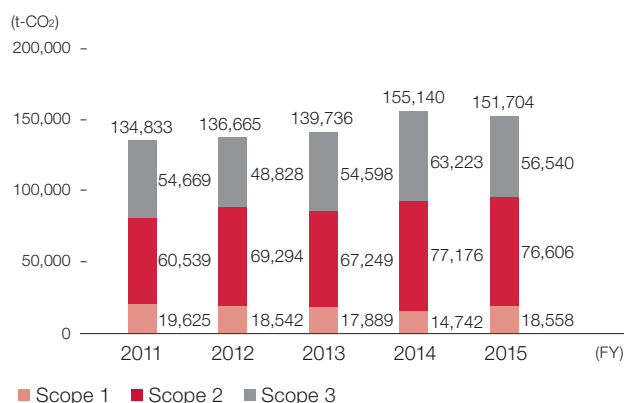
Consolidated Solvency Margin Ratio



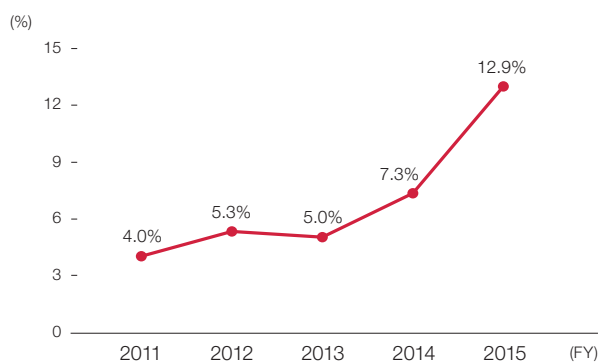
Dividends per Share



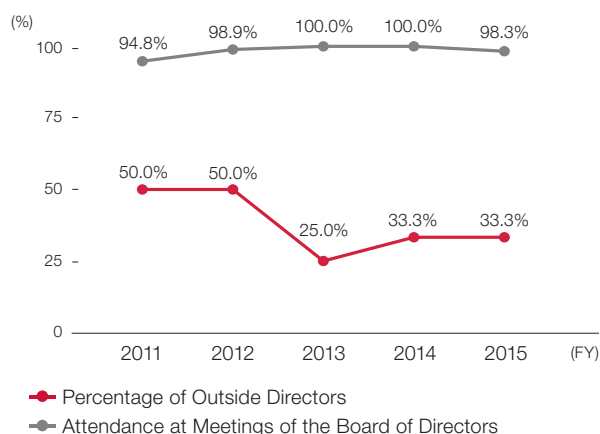
Greenhouse Gas Emissions (Scope 1-3)



Ratio of Female Employees in Managerial Positions



Percentage of Outside Directors / Attendance at Meetings of the Board of Directors



Domestic P&C Insurance Business



We aim to realize growth in accordance with quality and to be the most highly evaluated P&C insurance company by drastically improving business efficiency and making decisions thoroughly from customers' perspectives.

Keiji Nishizawa

Director
Domestic P&C Insurance Business Owner
(Representative Director, President and Chief Executive Officer,
Sompo Japan Nipponkoa Insurance Inc.)

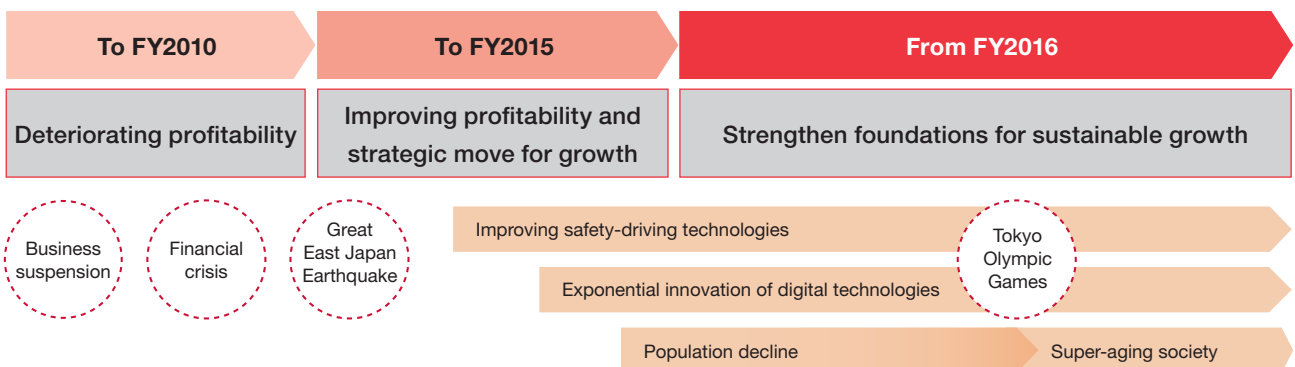
Business Overview

The domestic P&C insurance business meets a variety of customer needs through three companies. Sompo Japan Nipponkoa Insurance Inc. is the Group's core business and sells insurance through agencies. SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED, is responsible for direct sales. Sonpo 24 Insurance Company Limited conducts direct sales to customers introduced by agencies. Further, Sompo Japan Nipponkoa DC Securities Inc. provides defined contribution pension fund management services.

Operating Environment

Until fiscal 2020, economic growth resulting from the 2020 Tokyo Summer Olympic and Paralympic Games is likely to more than compensate for population decline. Meanwhile, innovation in digital technologies and related changes in customer behavior could lead to disruptive and drastic changes in conditions. In the medium-to-

long term, the environment is expected to change significantly with the advent of a super-aging society. The domestic P&C insurance business will establish and strengthen foundations that are able to sustain growth and adapt to these changes.



Policies of the New Mid-Term Management Plan

Through growth in accordance with quality, as the Group's largest company we aim to be the most highly evaluated P&C insurance company. To this end, we will implement the following three policies.

- Establish brand based on quality by making decisions thoroughly from customers' perspectives
- Realize global top level business efficiency by innovating and increasing sophistication of operations
- Sustain growth (of market share and bottom line) by heightening quality and operational efficiency rigorously

Key Points

Exploit largest business foundations in Group to contribute to its growth strategies

Global top level business efficiency

- Evolving into cost structure competitive on global basis by reforming business process and system infrastructure (future innovation project).
- Aim at below 30% of net expense ratio in the future.



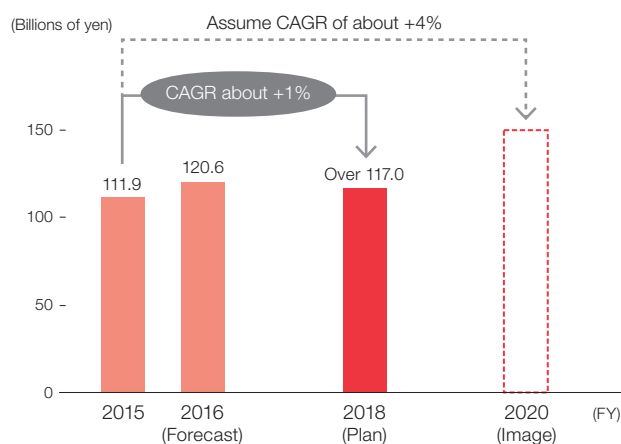
- Keep expanding top-line and bottom-line by developing products and services thoroughly from customers' perspective.
- Plan for combined ratio of 93% to 94% level.

Growth accompanying quality

Further, we will realize *Gemba-Power*^{*} and exploit digital technologies as priority tasks. These initiatives will enable us to develop products and services that anticipate changing customer needs and create new business models.

^{*} The ability of personnel to identify and address issues in frontline operations

Plan for Adjusted Profit



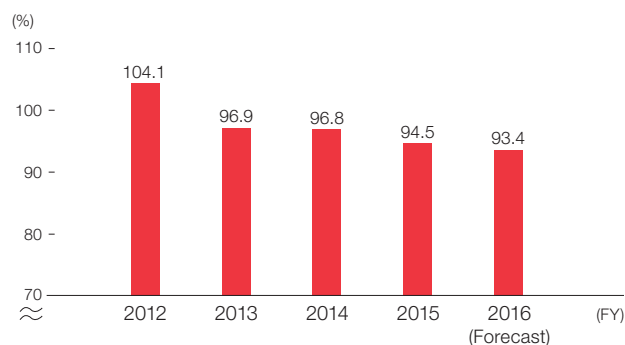
Performance Trends

During the period of the previous Mid-Term Management Plan, we completed the merger of Sompo Japan Insurance Inc. and NIPPONKOA Insurance Co., Ltd., as planned and realized merger synergies. Further, improving the profit structures of mainstay automobile insurance led to an improvement of 9.6 percentage points in the combined ratio^{*} versus that of fiscal 2012, to 94.5%. Consequently, in fiscal 2015 the business surpassed initial targets by achieving adjusted profit of 110.8 billion yen.

In fiscal 2016, we expect profit to increase as continuing improvement in the combined ratio accompanying a lower loss ratio counteract the absence of the previous fiscal year's rush demand for fire insurance and advance investment in systems

aimed at enabling digital strategies and heightening operational efficiency. The combined ratio is likely to continue improving mainly thanks to improvement in the loss ratio, and we expect higher profit.

Improvement of the Combined Ratio^{*} (excluding compulsory automobile liability insurance (CALI), household insurance, and earthquake insurance) (Sompo Japan Nipponkoa Insurance Inc.)



Adjusted Profit: Results and Forecast

| (Billions of yen) | | | | |
|-------------------|--------|--------|--------|-------------------|
| FY2012 | FY2013 | FY2014 | FY2015 | FY2016 (Forecast) |
| (8.9) | 6.5 | 69.9 | 110.8 | 120.6 |

Notes:

1. For details about adjusted profit, please see page 50.
2. Figures for fiscal 2012 through to fiscal 2015 have been calculated based on previous standards. Figures for fiscal 2016 (forecast) have been calculated based on new standards.

Note: Figures before August 2014 are the totals for the former Sompo Japan Insurance Inc. and the former NIPPONKOA Insurance Co., Ltd.

^{*} The combined ratio is the total of the net loss ratio and the net expense ratio and is an indicator of the earning power of P&C insurance.

Company Outline

As of March 31, 2016



Sampo Japan Insurance Inc. and NIPPONKOA Insurance Co., Ltd., merged to form Sampo Japan Nipponkoa Insurance Inc. on September 1, 2014. With the P&C insurance business at its core, Sampo Japan Nipponkoa will realize growth in accordance with quality and become the most highly evaluated P&C insurance company.

Sampo Japan Nipponkoa Insurance Inc.

Establishment: October 1888
Capital: 70.0 billion yen
Shareholder: SOMPO HOLDINGS (100%)
Total assets: 7,036.2 billion yen
Net premiums written: 2,218.4 billion yen
Head office: 26-1, Nishi-Shinjuku 1-chome, Shinjuku-ku, Tokyo
URL: <http://www.sjnk.co.jp/english/>

Performance Review

Net premiums written increased 1.7% year on year, to 2,218.4 billion yen, due to higher revenues from fire insurance and automobile insurance. The net loss ratio improved 1.9 percentage points, to 63.7%, as a result of lower insurance payments arising from natural disasters in Japan.

The net expense ratio improved 0.2 percentage points, to 31.6%, reflecting higher revenues from net premiums written. As a result of improvements in the net loss ratio and the net expense ratio, the combined ratio improved 2.1 percentage points year on year, to 95.3%.

Underwriting profit rose 33.0 billion yen year on year, to 78.2 billion yen, because a decrease in provision of outstanding loss

reserve more than offset an increase in provision for underwriting reserves.

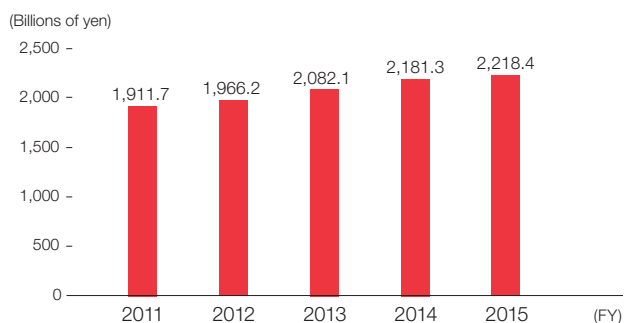
Investment profit decreased 43.0 billion yen year on year, to 108.5 billion yen, due to higher impairment losses on securities and lower foreign exchange gains.

Ordinary profit declined 17.0 billion yen year on year, to 178.0 billion yen. However, net income was up 81.2 billion yen year on year, to 126.2 billion yen, which was attributable to the absence of merger cost that was recognized in extraordinary losses in the previous fiscal year.

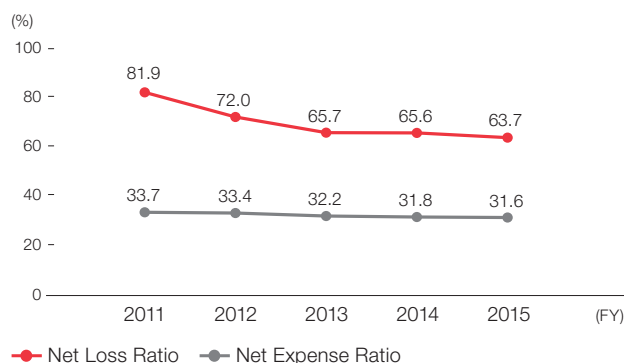
| | | (Billions of yen) | | | | | (Millions of U.S. dollars) |
|--------------------------------------------------------------|-------------|-------------------|---------|---------|---------|---------|----------------------------|
| | | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | FY2015 |
| Net Premiums Written | | 1,911.7 | 1,966.2 | 2,082.1 | 2,181.3 | 2,218.4 | 19,687 |
| Net Loss Ratio | | 81.9% | 72.0% | 65.7% | 65.6% | 63.7% | 63.7% |
| Net Expense Ratio | | 33.7% | 33.4% | 32.2% | 31.8% | 31.6% | 31.6% |
| Underwriting Profit (Loss) | | (66.1) | (16.9) | (62.5) | 45.2 | 78.2 | 694 |
| Investment Profit | | 61.7 | 159.9 | 192.7 | 151.5 | 108.5 | 962 |
| Ordinary Profit (Loss) | | (3.7) | 129.6 | 117.7 | 195.1 | 178.0 | 1,579 |
| Net Income (Loss) | | (60.1) | 62.4 | 49.5 | 45.0 | 126.2 | 1,119 |
| Non-Consolidated Solvency Margin Ratio | Sampo Japan | 502.5% | 645.6% | 713.3% | 716.3% | 729.3% | 729.3% |
| | Nipponkoa | 470.8% | 534.0% | 653.0% | | | |
| Total Assets | | 6,938.2 | 7,038.2 | 7,098.9 | 7,326.2 | 7,036.2 | 62,444 |
| Total Net Assets | | 908.1 | 1,144.9 | 1,233.3 | 1,592.6 | 1,324.8 | 11,757 |
| Unrealized Gains And Losses on Securities Available For Sale | | 470.9 | 680.9 | 744.9 | 1,101.9 | 857.3 | 7,608 |
| Non-Performing Loans (Risk-Monitored Loans) | | 2.9 | 2.0 | 0.9 | 0.7 | 0.4 | 3 |

Notes: 1. Figures prior to August 2014, excluding ROE and the non-consolidated solvency margin ratio, are the total of Sampo Japan and Nipponkoa.
 2. U.S. dollar amounts are translated from yen at the rate of ¥112.68=U.S.\$1.00, the approximate rate prevailing at March 31, 2016.

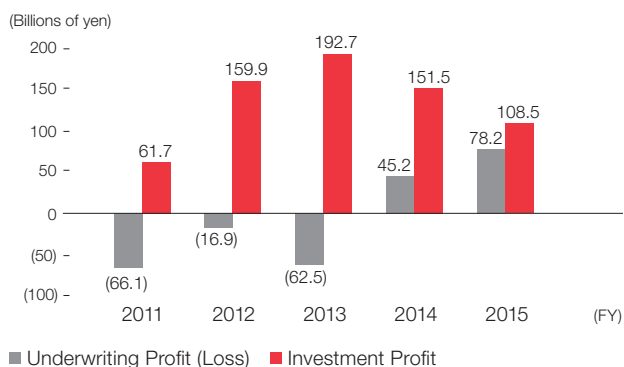
Net Premiums Written



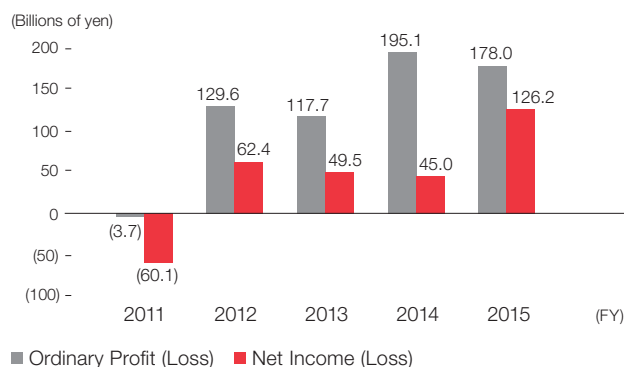
Net Loss Ratio / Net Expense Ratio



Underwriting Profit (Loss) / Investment Profit



Ordinary Profit (Loss) / Net Income (Loss)



Sustainable Growth Initiatives

Product Development That Leverages Digital Technology: Portable Smiling Road

In January 2016, Sompo Japan Nipponkoa launched Portable Smiling Road, a smartphone app for individuals that takes advantage of big data analysis and telematics technology. The app's telematics services include (i) a peace of mind function that enables users to provide notification with one push of a button if an accident occurs, (ii) a safety function that analyzes driving






behavior and helps prevent accidents by providing real-time information, and (iii) a comfortable car navigation function. By providing this app, we will reduce automotive accidents, offer high-quality responses to accidents, and contribute to the realization of a more secure, safer society.



Product Development Based on Group-wide Business Initiatives: Nursing Care Support Plan

In September 2016, Sompo Japan Nipponkoa will begin marketing Nursing Care Support Plan to provide multifaceted support to help avoid situations in which employees feel that they need to leave their jobs to provide nursing care—a phenomenon that is becoming a social problem in Japan. The plan will include insurance coverage, a service for introducing nursing care service providers, and seminars on combining work and nursing care. Through the plan, we will extend the coverage of the new group medical

insurance Filial Duty Lump-Sum Payment Rider, for which company employees are the main policyholders. Also, we will provide a preferential service for introducing nursing care service providers. We will develop products that help address the problem of employees leaving their jobs to provide nursing care. At the same time, we intend to advance collaborations including Group companies and providers of various types of nursing care related services to offer progressive services that support security, health, and wellbeing.

| | | | | |
|---------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| Homemaker service  | Meal delivery service  | Security service  | Home remodeling service  | Private residential home introduction service  |
|---------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|

Company Outline

As of March 31, 2016



Saison Automobile & Fire mainly targets those in their 40s and 50s, a demographic group with lower accident rates, through the direct marketing of “Otona no Jidosha Hoken” voluntary automobile insurance. With a focus on digital communication, we will provide “comfortable customer experiences.”

SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED

Establishment: September 1982
(operational kickoff: April 1983)

Capital: 26.6 billion yen

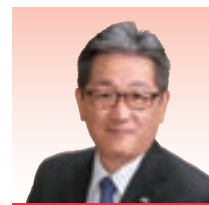
Shareholder: Sompo Japan Nipponkoa (99.5%)
Credit Saison (0.5%)

Total assets: 49.2 billion yen

Net premiums written: 27.4 billion yen

Head office: Sunshine 60, 1-1,
Higashi-Ikebukuro 3-chome,
Toshima-ku, Tokyo

URL: <http://www.ins-saison.co.jp/>



President
Yoshikazu Nishiwaki

Performance Review

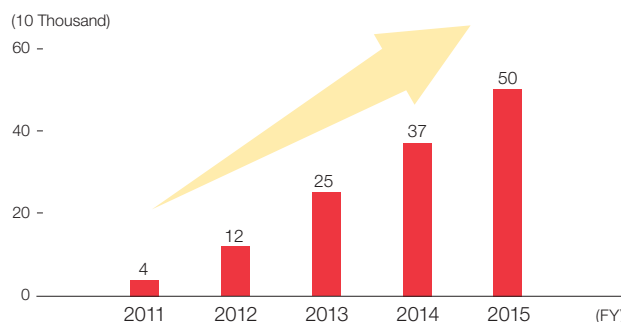
Net premiums written increased 22.7% year on year, due to a favorable performance by voluntary automobile insurance.

The net loss ratio improved 0.9 percentage points year on year, to 64.4%, reflecting a rise in claims paid.

The net expense ratio improved 9.7 percentage points, to 43.1%, due to higher revenues from net premiums written.

Since its launch in March 2011, “Otona no Jidosha Hoken” voluntary automobile insurance has earned the endorsement of numerous customers, accounting for 500,000 policies in force as of April 2016.

“Otona no Jidosha Hoken” Policies in Force



Note: Figures for fiscal 2015 are the figures at the end of April 2016.

TOPICS

Launch of “ALSOK Reliable Accident Site Support Service”

In April 2016, aiming to increase and strengthen interfaces with customers and thereby provide “comfortable customer experiences,” we collaborated with SOHGO SECURITY SERVICES CO., LTD. (ALSOK), to launch the “ALSOK Reliable Accident Site Support Service” for “Otona no Jidosha Hoken” policyholders. Through this service, directly after an accident—when customers feel most vulnerable—ALSOK personnel rush to the accident site and use handheld terminals to rapidly share accident information and coordinate with accident managers. Through coordination with “the safety and security professional” ALSOK, we provide concrete services that attend to customers’ immediate needs and give them peace of mind.

We will continue to consider feedback from customers in relation to issues at accident sites and implement solutions to enhance customer convenience. With a focus on digital communication, we will continue providing “comfortable customer experiences.”



そんぽ24

With its intermediary agents introducing insurance products to customers, Sonpo 24 is involved in the direct marketing of automobile insurance through its website and call centers. Together with these agents, Sonpo 24 cherishes building relationships with each customer and is committed to remaining an approachable and reliable partner.

Sonpo 24 Insurance Company Limited

Establishment: December 1999
(operational kickoff: March 2001)
19.0 billion yen
Capital: 19.0 billion yen
Shareholder: Sompo Japan Nipponkoa (100%)
Total assets: 22.7 billion yen
Net premiums written: 13.7 billion yen
Head office: Sunshine 60, 1-1,
Higashi-Ikebukuro 3-chome,
Toshima-ku, Tokyo
URL: <http://www.sonpo24.co.jp/>



President
Hisayuki Nagano

Performance Review

Although net premiums written declined slightly, they remained stable at 13.7 billion yen. Also, the net loss ratio improved 3.5 percentage points, to 61.1%. Underwriting profit rose 1.9 billion yen. As a result, the business moved into the black for the first time since its establishment, posting net income of 0.8 billion yen.

Sompo Japan Nipponkoa DC Securities Inc.

By providing a customized bundle of wide-ranging services helpful for the operation and management of such plans, the company assists with the swift, seamless introduction and smooth maintenance of defined contribution plans, thereby maintaining superior quality and consistency in service content.

Sompo Japan Nipponkoa DC Securities Inc.

Establishment: May 1999
Capital: 3.0 billion yen
Shareholder: Sompo Japan Nipponkoa (100%)
Total assets: 2.6 billion yen
Head office: Shinjuku Center Building, 25-1,
Nishi-Shinjuku 1-chome,
Shinjuku-ku, Tokyo
URL: <http://www.sjnk-dc.co.jp/>



President & Chief
Executive Officer
Shuichi Kita

Main Indicators

| | March 31, 2015 | March 31, 2016 |
|------------------------------------------------------------|-------------------|-------------------|
| Assets under management balance | 417.3 billion yen | 430.7 billion yen |
| Number of policyholders (including investment instructors) | 225,000 | 239,000 |

Domestic Life Insurance Business



As a forerunner in providing customers with security, health, and wellbeing, we will seek to evolve into a health support enterprise that aids people in living healthy lives.

Kaoru Takahashi

Director
Domestic Life Insurance Business Owner
(Representative Director, President and Chief Executive Officer,
Sompo Japan Nipponkoa Himawari Life Insurance, Inc.)

Business Overview

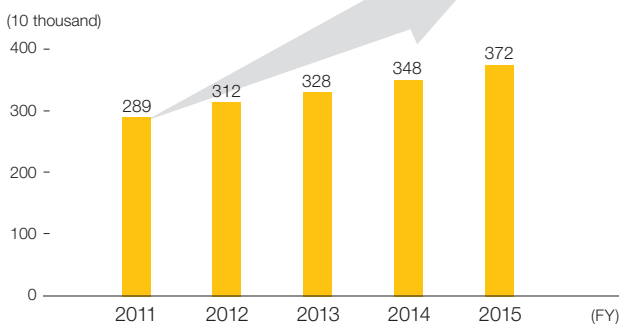
The domestic life insurance business is one with particularly high growth potential among Group businesses, second to the domestic P&C insurance business. In this business, we will pursue exceptional levels of operational quality by having sales representatives provide new value as they respond to customers' individual needs through the supply of innovative health-based services as well as products that incorporate these services.

Operating Environment

The domestic life insurance market is expected to contract gradually as the population of Japan decreases due to the low birthrate. At the same time, recent changes in consumer awareness have sparked increased competition among life insurance providers. In addition, a negative interest rate was instituted at the Bank of Japan Monetary Policy Meeting held on January 29, 2016, which served as a catalyst for substantial market change, including a drop in ultra-long-term interest rates. The persistence of such a situation over the long term would steadily deplete the strength of the management of the Company.

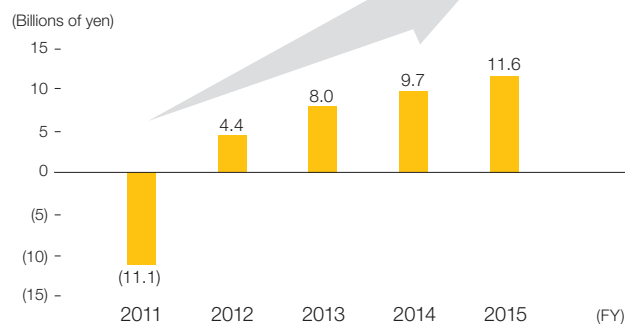
However, 20 million new personal life insurance policies are produced each year by Japan's various life insurance companies. This trend is a representation of how, in this fiercely competitive market, consumer awareness has risen, resulting in a more fluid market. For this reason, Sompo Japan Nipponkoa Himawari Life Insurance, Inc., views the domestic life insurance market as having sufficient growth potential waiting to be seized with the appropriate strategy.

Numbers of Policies in Force



Notes:
1. Figures represent the sum of individual insurance and individual annuities.
2. Figures for September 2011 and prior represent the combination of amounts of the former Sompo Japan Himawari Life and Nipponkoa Life.

Trends in Net Income



Note: Figures for September 2011 and prior represent the combination of amounts of the former Sompo Japan Himawari Life and Nipponkoa Life.

Policies of the New Mid-Term Management Plan

We will seek to evolve into a health support enterprise by advancing our new growth strategy and rapidly improving productivity based on the concepts of breaking industry norms, adopting the customer's standpoint, and becoming a familiar and trusted presence for customers.

• Establishment of Growth Drivers:

Advancing Our New Growth Strategy

We aim to establish a business model that unifies new services based around health with the products that incorporate these services and the sales representatives that provide new value as they supply these products and services to customers in response to individual needs. By building and continually improving this model through an all-hands effort, we aim to offer new value to customers.

Key Points

Evolve into the new business model focusing on customers' health, and contribute to Group strategy by steadily increasing the number of customers.

New growth strategy

- Product: Launch products satisfying customers' needs
- Service: Provide health support services
- Channel: Enhance hybrid channel*

+

- Product strategy focusing on highly profitable protection-type products
- Channel strategy utilizing P&C agency network

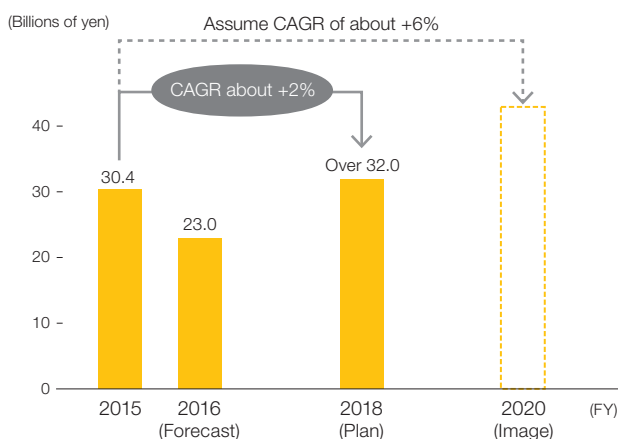
Strengths of Himawari Life

* Highly trained life insurance sales representatives follow up on customers enrolling in insurance online.

• Extensive Reforms for Enhancing Competitiveness: Rapidly Improving Productivity

Extensive reforms are being instituted to fundamental elements of our operations, including operating rules, products, services, sales and marketing systems, and human resource capabilities. In improving productivity, we are promoting diversity, greatly accelerating the speed of our operations, and pursuing radical changes in our working styles and other procedures based on new ideas. Moreover, we hope to contribute to the growth of our employees through these efforts.

Plan for Adjusted Profit



Performance Trends

With our network of P&C insurance agencies as our primary sales channel, we are realizing growth in keeping with efficiency and profits through strategies that focus on sales of high-margin products, such as simple underwriting medical insurance products and other medical insurance and income compensation insurance.

In addition, Sompo Japan Nipponkoa Himawari Life is working to expand customer numbers. These efforts include creating new

business models that incorporate information and communication technology and developing new products and conducting product revisions when necessary to reflect customer needs. In these ways, we incorporate customer contact and needs in channel strategies and products.

Adjusted Profit Results and Forecasts

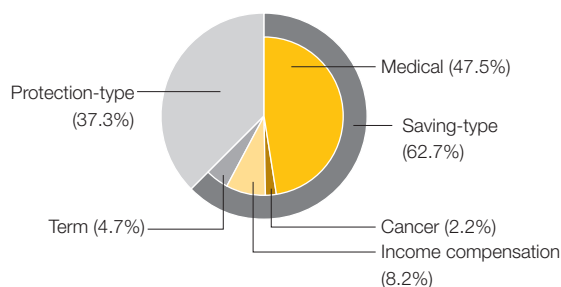
(Billions of yen)

| FY2012 | FY2013 | FY2014 | FY2015 | FY2016 (Forecast) |
|--------|--------|--------|--------|-------------------|
| 107.8 | 85.7 | 47.4 | 83.4 | 23.0 |

Notes:

- For details about adjusted profit, please see page 50.
- Figures for fiscal 2015 and prior are based on former accounting standards, and the figure for fiscal 2016 (forecast) is based on new accounting standards. Calculated under the new accounting standards, adjusted profit for fiscal 2015 amounted to 30.4 billion yen.

Product Composition



Note: Figures for fiscal 2015 are based on annualized premiums from new businesses.

Company Outline

As of March 31, 2016



The domestic life insurance business is one with particularly high growth potential among Group businesses, second to the domestic P&C insurance business. We will accelerate growth by providing products and services of choice to customers. Major products include “Shin Kenko no Omamori” (released in May 2014) and “Shin Kenko no Omamori Heart” (released in April 2015). Both of these products have proved immensely popular among customers, with a combined total of 600,000 applications for these products since their launch.

Sampo Japan Nipponkoa Himawari Life Insurance, Inc.

Establishment: July 1981 (operational kickoff: April 1982)
Capital: 17.25 billion yen
Shareholder: Sampo Holdings (100%)
Head office: Shinjuku Central Park Building, 13-1, Nishi-Shinjuku 6-chome, Shinjuku-ku, Tokyo
URL: <http://www.himawari-life.co.jp/>

Performance Review

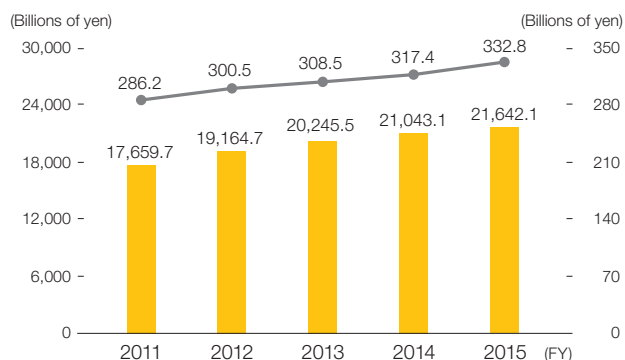
In line with an expansion of business in force, particularly protection-type products, annualized premiums from business in force increased 15.4 billion yen year on year. Amount of new business declined due to sluggish sales of income compensation insurance and other primary products. Meanwhile, medical insurance sales bolstered annualized premium from new business, which rose 4.7 billion yen, to 40.3 billion yen.

Growth in business in force drove income from insurance premiums, which increased 15.7 billion yen, to 396.4 billion yen. Due in part to the negative impact of low interest rates, embedded value declined 84.3 billion yen, to 700.0 billion yen.

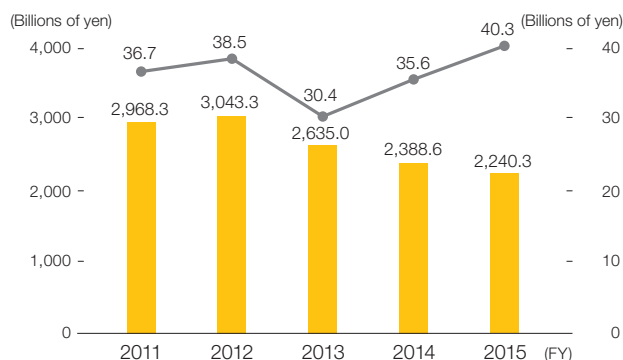
| | (Billions of yen) | | | | | (Millions of U.S. dollars) |
|--------------------------------------------|-------------------|----------|----------|----------|----------|----------------------------|
| | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | FY2015 |
| Amount of Business in Force | 17,659.7 | 19,164.7 | 20,245.5 | 21,043.1 | 21,642.1 | 192,066 |
| Annualized Premium from Business in Force | 286.2 | 300.5 | 308.5 | 317.4 | 332.8 | 2,953 |
| Amount of New Business | 2,968.3 | 3,043.3 | 2,635.0 | 2,388.6 | 2,240.3 | 19,881 |
| Annualized Premium from New Business | 36.7 | 38.5 | 30.4 | 35.6 | 40.3 | 357 |
| Income from Insurance Premiums | 360.1 | 370.7 | 372.8 | 380.7 | 396.4 | 3,517 |
| Total Assets | 1,809.2 | 1,972.6 | 2,120.2 | 2,278.1 | 2,438.0 | 21,636 |
| Embedded Value | 615.3 | 674.8 | 750.3 | 784.4 | 700.0 | 6,212 |
| Non-Consolidated Solvency Margin Ratio (%) | 1,449.5 | 1,555.3 | 1,583.2 | 1,676.3 | 1,771.4 | 1,771.4 |

Notes: 1. The line items “Amount of Business in Force” and “Amount of New Business” represent the sum of individual insurance and individual annuities.
 2. For FY2011, the amount of new business, annualized premiums from new business, and income from insurance premiums represent the sum totals of Sampo Japan Himawari Life and Nipponkoa Life from April 2011 to September 2011, and Sampo Japan Nipponkoa Himawari Life from October 2011 to March 2012.
 3. Sampo Japan Nipponkoa Himawari Life adopted the interest rates of Japanese government bonds as the benchmark for determining the risk-free interest rate used to calculate market consistent embedded value (MCEV) for FY2012 and after. The risk-free interest rate for FY2011 and before was determined based on swap rates.
 4. U.S. dollar amounts are translated from yen at the rate of ¥112.68=U.S.\$1.00, the approximate rate prevailing at March 31, 2016.

Amount of Business in Force



Amount of New Business



■ Amount of Business in Force (Left scale)
 ● Annualized Premium from Business in Force (Right scale)

■ Amount of New Business (Left scale)
 ● Annualized Premium from New Business (Right scale)

Sustainable Growth Initiatives

Collaboration with Fitbit

After reaching an agreement with Fitbit, Inc., Sompo Japan Nipponkoa Himawari Life Insurance is jointly developing a business to promote health improvement and target the company's customers. Specific initiatives include the following.

1. To help our roughly 3,000 customers live healthier, we introduced the Fitbit Wellness^{*1} program in April 2016 and supplied employees with Fitbit Charge HR^{*2} wearable terminals capable of measuring one's pulse.
2. In cooperation with health insurance groups, we are analyzing the link between illnesses, based on employee health statistics, and activity data, received from the Fitbit wearable terminals.
3. To support health improvement among customers, we have started a program through which we loan Fitbit wearable terminals to certain insurance policyholders and, with the customer's permission, collect activity data to be examined when developing innovative insurance products.

- *1. Fitbit Wellness is a corporate wellness solutions program launched in 2010 through which Fitbit supplies hardware, software, and services. This program is linked to institutions from numerous industries and has been adopted by more than 70 of the U.S. Fortune 500 companies.
- *2. Charge HR is a wristband that uses wireless communications to log step numbers, walking distance, calories burned, exercise times, sleep patterns, steps climbed, pulse, and other data.



Launch of Health Service Brand

Sompo Japan Nipponkoa Himawari Life Insurance sees a health support enterprise that assists customers in improving their health as the natural evolution of a life insurance company. Striving to carry out this evolution, we launched our Linkx (pronounced "link cross") brand of services, which we supply as a forerunner in providing new value. Linkx embodies our devotion to "broader, more connected, and healthier lives," and we are deploying products and services based on this sentiment.

As specific measures, we are examining the possibilities of offering revolutionary new products as well as apps and other healthcare-related services.



Alliance with DeSC Healthcare

Sompo Japan Nipponkoa Himawari Life Insurance formed a business alliance with DeSC Healthcare, Inc., through which it will develop healthtech* services that utilize IT. DeSC Healthcare provides the KenCoM health management Internet service for participants in health insurance groups and also constructs and operates digital health service platforms based on KenCoM.

- * Healthtech is a portmanteau of "health" and "technology" that originated in the United States. Such technology employs daily life log data collected through smartphones or wearable terminals to assist in health improvement.

Nursing Care & Healthcare Business



We aim to realize an affluent Japan that can boast to the world about the long and quality lives of its people. To accomplish this goal, we strive to promote industry reform and become Japan's most trusted nursing care service provider by supplying nursing care and healthcare services of impeccable quality.

Mikio Okumura

Director, Executive Officer
Nursing Care & Healthcare Business Owner
(Representative Director and President, Sampo Care Inc.)

Business Overview

We began full-fledged forays into the nursing care field by converting Watami no Kaigo Co., Ltd. (currently Sampo Care Next Inc.), and Message Co., Ltd. (currently Sampo Care Message Inc.), into subsidiaries in December 2015 and March 2016, respectively. After this, we established Sampo Care Inc. as a management company to oversee our nursing care operations in July 2016. Looking ahead, we will continue to provide nursing care services of impeccable quality as we strive to quickly foster a brand that is synonymous with security, health, and wellbeing. It is in this manner that we will proceed with our quest to become Japan's most trusted nursing care service provider.

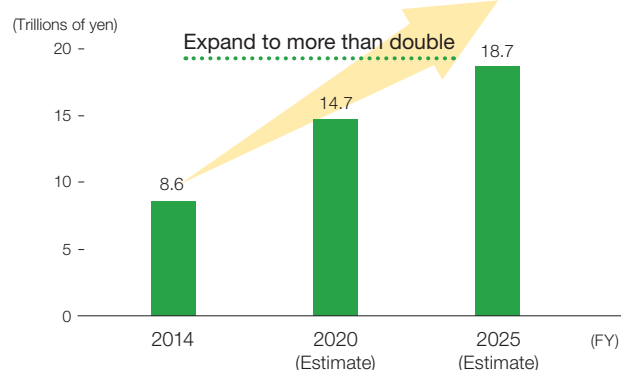
In the healthcare field, Sampo Risk Management & Health Care Inc. provides services to support corporate employee health initiatives, including the promotion of Health and Productivity Management,* employee assistance programs, and countermeasures for lifestyle-related disorders. Through these services, we work to assist customers in their initiatives related to security, health, and wellbeing.

* Health and Productivity Management is a registered trademark of the Workshop for the Management of Health on Company and Employee.

Operating Environment

The population in Japan is aging rapidly; by 2025, the ratio of people aged 75 and above is projected to reach one in five people. In such an aged society, the segment of the nursing care market that is available for participation by private companies (nursing care services and nursing care-related products) is anticipated to grow to a scale of 18.7 trillion yen in fiscal 2025, compared with 8.6 trillion yen in fiscal 2014. Particularly strong growth will be seen in the market for at-home nursing care services.

Estimated Scale of the Nursing Care Market in Which Private Operators Can Participate*



* Estimated based on sources below:
Prepared based on "Present Situation and Future Prospect of the Public Nursing Care Insurance System" and "Survey of Long Term Care Benefit Expenditures" by the Ministry of Health, Labour and Welfare
"Estimated Figures of Expenses Related to Social Security" by the Ministry of Finance
"Present Situation and Future Prospect of Welfare-related Markets 2014" by Fuji Keizai Co., Ltd.
"Data Service Concerning Housing for Elderly People for the First Six Months of 2014" by Tamura Planning & Operating (estimated figures)

Policies of the New Mid-Term Management Plan

During the period of the previous Mid-Term Management Plan, progress was made in establishing business foundations for the nursing care & healthcare business. Under the new Mid-Term Management Plan, we will further build upon these foundations to better support the health and longevity of our customers.

To date, we have continued to respond to the various needs of both seniors and their families by leveraging the strengths of Sampo Care Message and Sampo Care Next. In the future, we will evolve and expand our services to provide nursing care services that respect the dignity of seniors and ensure their security, health, and wellbeing.

In addition, we will further advance Sampo Care Message's *Sampo Care Home-Care Service*,* which represents a completely new undertaking for the nursing care industry. In developing this service, we are constructing core competencies in the form of a revolutionary value chain that begins with preclinical and preventive care and moves on to include at-home nursing care services and

facility nursing care services. We thereby aim to provide nursing care services that address the true needs of seniors.

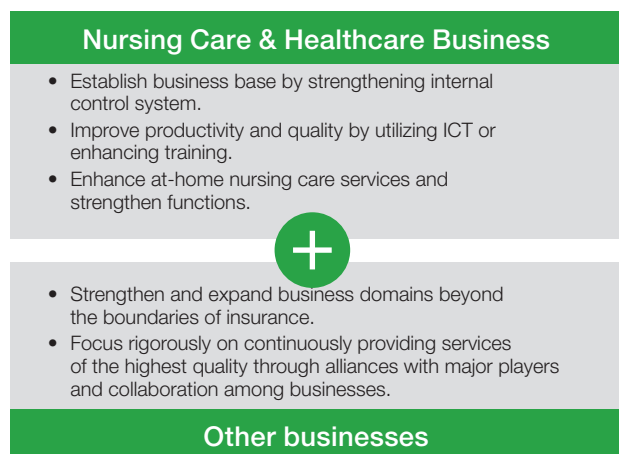
Through these initiatives, we forecast that the nursing care & healthcare business will grow into an enterprise making profit contributions in the range of 6.0 billion yen in fiscal 2018.

The diagram at the bottom of this page shows our road map for the nursing care & healthcare business. During the period of the new Mid-Term Management Plan, we will prioritize solidifying the foundations of this business by reinforcing internal management systems. At the same time, we will utilize information and communication technology (ICT) to improve productivity and service quality in this business and to expand and enhance the functionality of our at-home nursing care services.

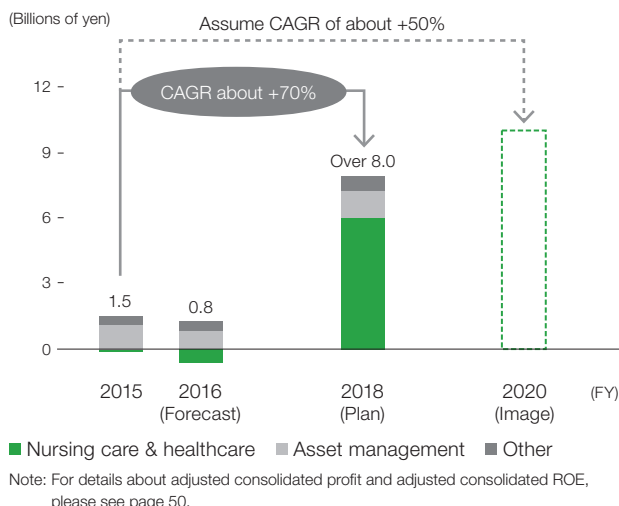
* These nursing care services represent an evolution from conventional at-home nursing care services, combining home-visit long-term care (regular rounds conducted on a 24-hour basis), home-visit nursing care, lifestyle support services, and other services to provide facility-level nursing care services in the home.

Key Points

Contribute to Group strategy as a new business pillar by utilizing ICT and digital technologies and reshaping the industry through collaboration between insurance and nursing care.



Plan for Adjusted Profit

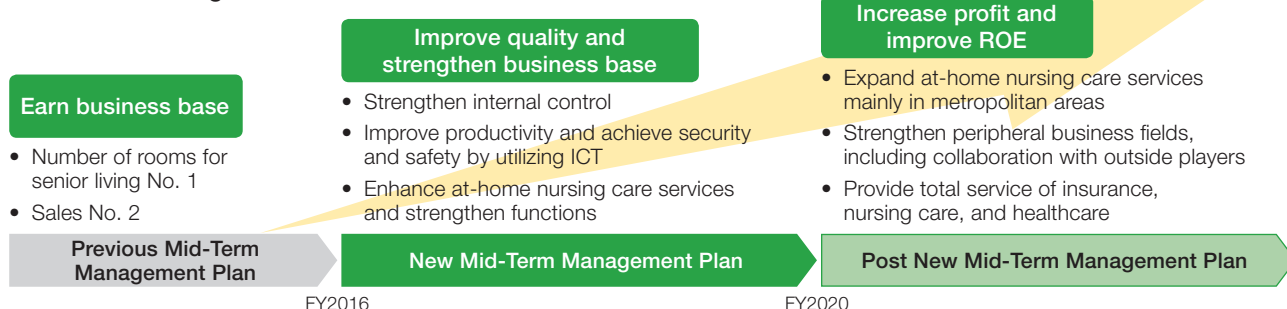


Road Map for the Nursing Care & Healthcare Business

In the nursing care & healthcare business, we aim to make contributions to consolidated performance in the future by growing earnings and improving return on equity (ROE). Specifically, we will provide at-home nursing care services centered on major urban areas, where we can anticipate robust nursing care demand. In

addition, we will ally ourselves with prominent companies from other industries and take other steps to strengthen operations in fields that are peripheral to nursing care in order to realize comprehensive services that combine insurance, nursing care, and healthcare.

Reform of Nursing Care & Healthcare Business



Company Outline

As of July 1, 2016

SOMPO CARE MESSAGE

Sompo Care Message offers fee-based nursing homes, housing providing nursing care services to residents, and at-house nursing care services. This company continues its efforts for the “provision of an environment where elderly people can, even when they come to need nursing care, continue to live in ways they like in the place (residence) where they hope to live.”

Sompo Care Message Inc.

Establishment: May 1997
Capital: 3,925 million yen
Shareholders: Sompo Holdings (94.63%)
 General shareholders (5.37%)
Head office: 522-1, Nishiichi, Minami-ku, Okayama-shi, Okayama
URL: <http://www.sompocare-message.jp/>



Tetsuya Kikui
 President and Chief Executive Officer

SOMPO CARE NEXT

Sompo Care Next develops fee-based nursing homes in locations centered around the Tokyo metropolitan area. This company cherishes its connections with every customer, striving to provide team-based care through its staff of specialists to deliver nursing care services of impeccable quality in all situations, including meals, activities, and comfortable living environments.

Sompo Care Next Inc.

Establishment: November 1992
Capital: 5,095 million yen
Shareholders: Sompo Holdings (100%)
Head office: 12F, Shinagawa Seaside East Tower, 12-8, Higashishinagawa 4-chome, Shinagawa-ku, Tokyo
URL: <http://www.sompocare-next.jp/>



Ken Endo
 President and Chief Executive Officer

SOMPO RISK MANAGEMENT & HEALTH CARE

Sompo Risk Management & Health Care supports customers in their initiatives for promoting security, health, and wellbeing by providing services and solutions such as specific health guidance and health counseling, employee assistance programs, business continuity management and planning (BCM / BCP), and enterprise risk management (ERM) through its operations in these areas.

Sompo Risk Management & Health Care Inc.

Establishment: November 1997
Capital: 30 million yen
Shareholders: Sompo Holdings (100%)
Head office: 24-1, Nishi-Shinjuku 1-chome, Shinjuku-ku, Tokyo
URL: <https://sompom-rc.co.jp/>



Yasushi Fuse
 President and Chief Executive Officer

TOPICS

Establishment of Sompo Risk Management & Health Care –Health and Productivity Management Support Services–

On April 1, 2016, Sompo Japan Nipponkoa Risk Management Inc., Healthcare Frontier Japan Inc., and Sompo Japan Nipponkoa Healthcare Services Inc. were merged to create Sompo Risk Management & Health Care Inc. The existing strengths of these three companies will be shared and their business will be used to complement one another as Sompo Risk Management & Health Care strives to provide services that contribute to customer security, health, and wellbeing in the growth markets of healthcare and disaster preparedness.

In February 2016, prior to the merger, these three companies began providing the Health and Productivity Management service. This service offers a complete assortment of solutions related to constructing systems for Health and Productivity Management promotion, identifying health issues and drafting response measures, and supplying health guidance provided through collaboration with other companies and health insurance groups.

Service Characteristics

Identification of health issues based on data analysis (evidence)

Creation of Health and Productivity Management foundations and PDCA cycles

One-stop service for everything from consulting to solutions

Provision of necessary health improvement solutions

Supply of measurement tools for tracking Health and Productivity Management benefits

Special Feature: Nursing Care Operations

Purpose of Participation in Nursing Care Field

Nursing care operations entail providing services that contribute to security, health, and wellbeing and are therefore consistent with the Group Management Philosophy. In addition, when peripheral

businesses are included, the scale of the nursing care market is massive, making this a field in which we can expect high growth going forward.

The Group's Care Operations

By combining the unique characteristic of the Group's nursing care service companies, we will provide a wide variety of nursing care services to respond to diverse contemporary needs.

| | | |
|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sompo Care (Management Company) | Tasked with the quick realization of our vision for our nursing care operations, Sompo Care is a highly specialized management company that provides guidance and oversight for all Group nursing care service companies. | |
| Sompo Care Message | Facility Nursing Care Services | Sompo Care Message operates 185 fee-based economy to mid-range nursing homes under its Sompo Care <i>Sompo no Ie</i> brand. In addition, through its Sompo Care <i>Sompo no Ie S</i> brand, this company manages 121 housing complexes for seniors that offer nursing care services to residents. |
| | At-Home Nursing Care Services | Sompo Care Message provides home-visit long-term care and other at-home nursing care services out of 412 offices across Japan. In February 2015, this company launched its new <i>Sompo Care Home-Care Service</i> . Sompo Care Message is currently expanding its service area throughout the Tokyo metropolitan area. |
| Sompo Care Next | Facility Nursing Care Services | Sompo Care Next operates 114 mid-range fee-based nursing homes in major cities under its Sompo Care <i>La vie Re</i> brand. |
| Cedar Co., Ltd.* | Facility Nursing Care Services | Cedar runs 38 <i>La Nassica</i> brand economy and other fee-based nursing homes and provides services centered on rehabilitation. |
| | At-Home Nursing Care Services | This company also offers <i>Aozora-no-sato</i> brand day service centers and provides services centered on rehabilitation. |

* A 34% stake in Cedar Co., Ltd., was acquired in September 2012.

Vision for Nursing Care Service Operations

Looking ahead, we will redouble our efforts to offer residents at our facilities and their families with nursing care services of the utmost quality as we strive to quickly foster a brand that is synonymous with security, health, and wellbeing with the aim of becoming Japan's most trusted nursing care service provider. Taking a step

forward, we will supply integrated services that combine nursing care with preclinical and preventive care in the hope of contributing to the realization of an affluent Japan that can boast to the world about the long and quality lives of its people.

Goals for Sompo Holdings Group's Nursing Care Operations



Special Feature: Nursing Care Operations

Specific Initiatives

Internal Management System Construction and Implementation

Sompo Holdings is applying its governance, compliance, and risk management know-how to its nursing care operations to construct and implement internal management systems for providing nursing care services with impeccable quality that contribute to customer safety, health, and wellbeing.

Utilization of ICT and Digital Technologies

We are utilizing ICT and digital technologies for applications such as digitizing nursing records to improve efficiency with regard to record management and information-sharing procedures. In addition, we are examining means of using sensors to detect changes in residents' conditions in a timely manner, prevent accidents, and reduce the labor requirements for watching over residents.

Going forward, we will muster the Group's collective strength to conduct ongoing investigations and research into cutting-edge ICT in order to realize industry-leading levels of service quality and productivity. In this manner, we will strive to reduce the burden placed on nursing care staff.

Expansion of Nursing Care Staff

In addition to implementing systems to facilitate the systematic hiring of care providers to meet the staffing needs of nursing care services, we are establishing training centers with specialized equipment and otherwise devoting effort to education and training to enhance care provider skills.

To address the issue of turnover among care providers, we are formulating measures for providing phased improvements to contract conditions to expand our staff of employees capable of providing high-quality service on an ongoing basis.

Establishment of Sompo Care Next Step Center

The Sompo Care Next Step Center was established in April 2016 with the aim of contributing to the cultivation of professional care providers. Conducting training based on the themes of acquiring knowledge, refining techniques, and improving interpersonal skills, this center offers a wide range of training programs. These programs include those for gaining basic caregiving knowledge and practical courses that utilize spaces re-creating actual nursing-home rooms and facilities as well as programs for fostering the perspective and sense of ethics necessary for care providers.



Space re-creating nursing-home rooms with beds enabling trainees to learn various techniques such as how to help residents change position or get off the bed or how to give sponge baths



Bathing assistance training, in which trainees learn necessary bathing assistance techniques as well as how to use support equipment and basic rules of watching over residents

New Branding Strategies

Sompo Holdings commenced full-fledged participation in the nursing care field in fiscal 2015.

After incorporating Message and Watami no Kaigo into the Group, we changed the names of these companies to Sompo Care Message and Sompo Care Next, respectively, and similarly rebranded their facilities as Sompo Care *Sompo no Ie* and Sompo Care *La vie Re*.



The Sompo Care brand will serve as the face for our nursing care services, which provide safety, health, and wellbeing, in the future, and the entire Group will band together as we move forward on our quest to become Japan's most trusted nursing care service provider.



Advisory Council on Nursing Care

Aiming to realize an affluent Japan that can boast to the world about the long and quality lives of its people, Sompo Holdings formed an advisory council on nursing care in April 2016. The council comprises experts with exceptional insight from academia and the industry and works to identify, deliberate, and resolve various issues regarding nursing care in Japan while providing the Sompo Holdings Group with guidance on the direction of its nursing care operations.

Having already met twice, the council is chaired by Professor Emeritus Shigeru Tanaka of Keio University, one of Japan's leading authorities in the field of healthcare, nursing care, and comprehensive regional healthcare. Sompo Holdings has positioned the council as an advisory body to Sompo Care, which was established in July 2016.

Over a one-year period, the advisory council will discuss themes such as human resource development and collaboration with local communities to provide the Sompo Holdings Group with insights on operating nursing care businesses.



First meeting of advisory council on nursing care (April 2016)

Members of the Advisory Council (alphabetical order, * marks the chairperson)

| | |
|------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Kazuto Handa | President, Japanese Physical Therapy Association, and Trustee, Japan Association of Rehabilitation Hospitals and Institutions |
| Yukiko Inoue | Professor of Graduate School of Social Work Special Service Management, Japan College of Social Work |
| Shuichi Nakamura | Professor, International University of Health and Welfare Graduate School, and former Director General, Health and Welfare Bureau for the Elderly, Ministry of Health, Labour and Welfare |
| Jun Sasaki | Chairman and Head of Clinical Department, Yushoukai Home Healthcare Clinic |
| Yoshiko Shiotani | Chairperson of the Board of Trustees, Japan College of Social Work, and former Governor of Kumamoto Prefecture |
| Hiroko Takasuna | Managing Trustee, The National Association for Home-Visit Nursing Care, and Administrator, Home-Visit Nursing Care Center, Minami-ku Medical Association of Yokohama |
| Shigeru Tanaka* | Professor Emeritus, Keio University, and Member, Advisory Council on Social Security, Ministry of Health, Labour, and Welfare |

Meeting Timings and Themes (Tentative from 3rd Meeting Onward)

| | |
|------------------------------|-------------------------------------------------------------------------------------------------------|
| 1st meeting (April 2016) | Issues faced in Sompo Holdings Group's nursing care operations and future discussion themes |
| 2nd meeting (June 2016) | Essential quality of nursing care services |
| 3rd meeting (September 2016) | Building organizations and nurturing human resources for providing high-quality nursing care services |
| 4th meeting (November 2016) | Operation of nursing care businesses for realizing communal support |
| 5th meeting (February 2017) | Formulation of an advisory proposal |

Overseas Insurance Business



We will aim to rapidly expand our business through steady organic growth and disciplined M&A.

Shigeru Ehara

Director, Senior Managing Executive Officer
Overseas Insurance Business Owner

Business Overview

The Sompo Holdings Group operates its overseas insurance business in 211 cities situated in 32 countries and regions worldwide,* and this business is producing an increasingly large amount of stable earnings. In developed countries, business is focused on the corporate sector, where we pursue growth in the Lloyd's insurance market through Sompo Canopus. Meanwhile, we are expanding operations centered on the retail sector in Asia, the Middle East, South America, and other emerging countries. In fiscal 2015, premiums written totaled 294.3 billion yen, and adjusted profit came to 19.3 billion yen.

* As of March 31, 2016

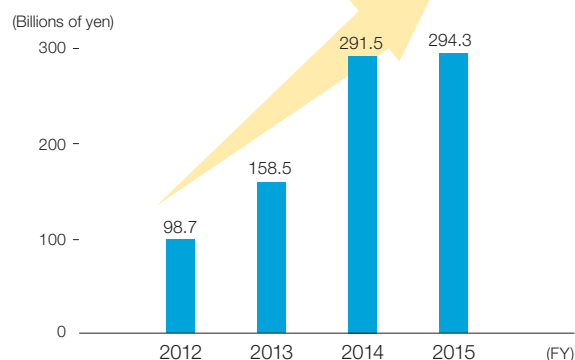
Operating Environment

The global insurance market is expanding together with the gentle growth trend seen in the global economy.

Emerging markets are expected to continue showing robust growth, particularly in Asia, the Middle East, and Central and South America, while developed markets remain promising. In this environment, we will strive to expand businesses both in emerging markets, where we aim to take advantage of medium-to-long-term market growth, and in developed markets, where we anticipate steady contributions to earnings.

Significant risks faced in the overseas insurance business include rises in insurance claims resulting from natural disasters of scales that exceeded our expectations, decreased profitability due to soft market trends, and decelerated growth in countries or regions in which the Group operates due to deteriorations in political, social, or economic conditions. We are reinforcing risk management systems and implementing other measures to minimize the threat of such risks.

Trends of Premiums Written*



* Amounts for premiums written are calculated using figures for consolidated subsidiaries and affiliates accounted for under the equity method that have been adjusted based on the Company's ownership of these companies and, therefore, may differ from the consolidated financial statements.

Policies of the New Mid-Term Management Plan

By implementing the policies of the new Mid-Term Management Plan, the overseas insurance business will pursue the drastic expansion of scale and profits. We thereby aim to contribute to the Company-wide goal of realizing a business scale and capital efficiency that are on par with the level of the global top 10 listed insurance companies. To this end, we will continue to grow steadily by utilizing existing business foundations in our various countries and regions of operation (organic growth) while executing new M&A to accelerate growth.

Steady Organic Growth

The core directive of our organic growth strategies in developed markets will be to utilize Sampo Canopus as a growth platform. Sampo Canopus will play an important role in making steady earnings contributions through reinsurance and other operations. In emerging markets, meanwhile, we will step up the pace of growth in retail sector offerings, such as products for individuals, primarily in areas where we have already made certain progress in establishing

Key Points

Contribute to Group strategy by growing organically and pursuing a certain level of scale through external growth.

| Steady organic growth |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> Developed countries: Utilize Sampo Canopus as a vehicle for growth. Emerging countries: Grow faster than market average. |
| + |
| <ul style="list-style-type: none"> Conduct well-balanced investments both in emerging countries to expect future growth and in developed countries to acquire immediate profit. Scrutinize each deal in terms of valuation, possibility of PMI, and affinity of corporate culture. |
| Accelerated growth via disciplined M&A |

Performance Trends

The overseas business has continued to post steady growth until now. The acquisition of Canopus Group Limited (currently Sampo Canopus AG) brought new earnings contributions. We are also

Adjusted Profit Results and Forecasts

(Billions of yen)

| FY2012 | FY2013 | FY2014 | FY2015 | FY2016 (Forecast) |
|--------|--------|--------|--------|-------------------|
| 11.8 | 7.8 | 18.6 | 19.3 | 15.0 |

Notes:

- For details about adjusted profit, please see page 50.
- Figures for fiscal 2015 and prior are based on former accounting standards, and the figure for fiscal 2016 (forecast) is based on new accounting standards.

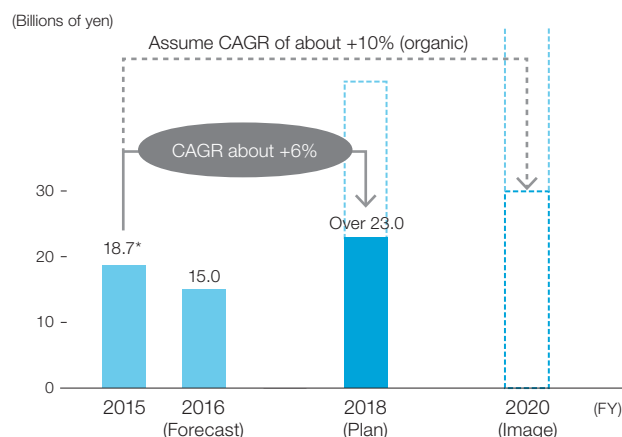
business foundations, including Brazil, Turkey, and Southeast Asia. By clarifying target products and sales channels, we will endeavor to achieve growth rates that exceed the market average.

Acceleration of Growth through Disciplined M&A

Our policy for conducting new M&A is to strike a balance between investments in developed countries from which we can expect quick earnings contributions and investments in emerging countries aimed at future growth. To facilitate these investments, a director responsible for overseas M&A has been positioned in the United Kingdom, a dedicated M&A committee has been set up, and we have taken other steps to allow for speedy examination of investment candidates while remaining disciplined.

Through this type of organic growth as well as M&A, we aim to achieve substantial growth in adjusted profit, which is currently around 20.0 billion yen, by fiscal 2020.

Plan for Adjusted Profit



Note: Figures have been adjusted for extraordinary factors in fiscal 2015 (including approximately ¥1.7 billion in gain on sales of shares resulting from restructuring of shareholders of an invested company at Sampo Japan Insurance Company of America).

realizing increased revenues in the retail sectors of Brazil, Turkey, and Malaysia, all emerging countries that have been positioned as key regions. In fiscal 2016, soft market trends are expected to arise. We are therefore taking a conservative outlook toward underwriting and foreign exchange influences, projecting a temporary decline in profits. Nevertheless, the growth of the overseas business is anticipated to continue over the medium-to-long term.

Global Expansion

SOMPO CANOPIUS

Sompo Canopus develops its insurance underwriting business in specialty fields worldwide, with a particular focus on the Lloyd's insurance market in the United Kingdom, the birthplace of insurance.

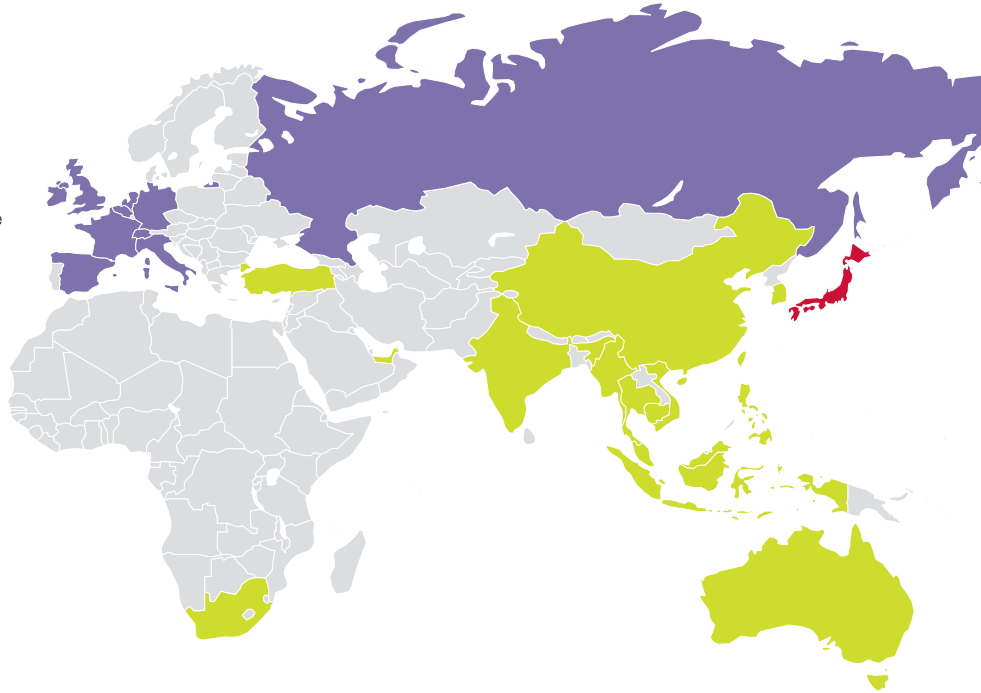
This company joined the Group in May 2014.

Sompo Canopus' operations include property insurance, reinsurance, marine insurance, energy insurance, construction insurance, liability insurance, and accident insurance, which it develops while taking advantage of the expertise and sophisticated insurance underwriting techniques it possesses as one of the top 10 Lloyd's companies.

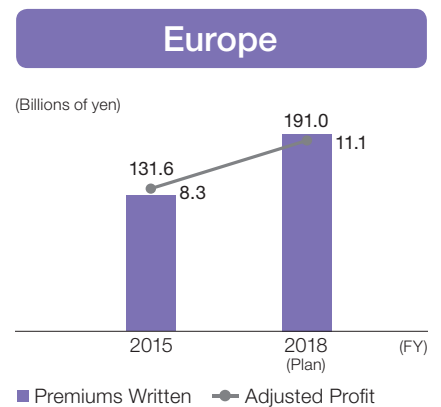


Stuart Davies
Group Chief Executive Officer
Sompo Canopus AG

211 cities in 32 countries



Premiums Written and Adjusted Profit¹ by Region (Excluding effects of M&A)



Main Operating Companies

As of July 1, 2016

- Sompo Canopus AG
- Canopus Managing Agents Limited
- Sompo Japan Canopus Reinsurance AG
- Sompo Japan Nipponkoa Insurance Company of Europe Limited

SOMPO JAPAN SIGORTA

Sompo Japan Sigorta Anonim Şirketi is the only Asian P&C insurance provider in Turkey, where it ranks eighth* in terms of sales.

This company boasts superior IT expertise related to deciding insurance premium rates. Combining this expertise with its strategic sales methods, claim handling capabilities, and other strengths, the company is generating stable earnings in the Turkish market, where insurance premiums rates are liberalized.

* This position is based on gross written premiums in fiscal 2015.



Recai Dalaş
General Manager
Sompo Japan Sigorta Anonim Şirketi

and regions (As of March 31, 2016)



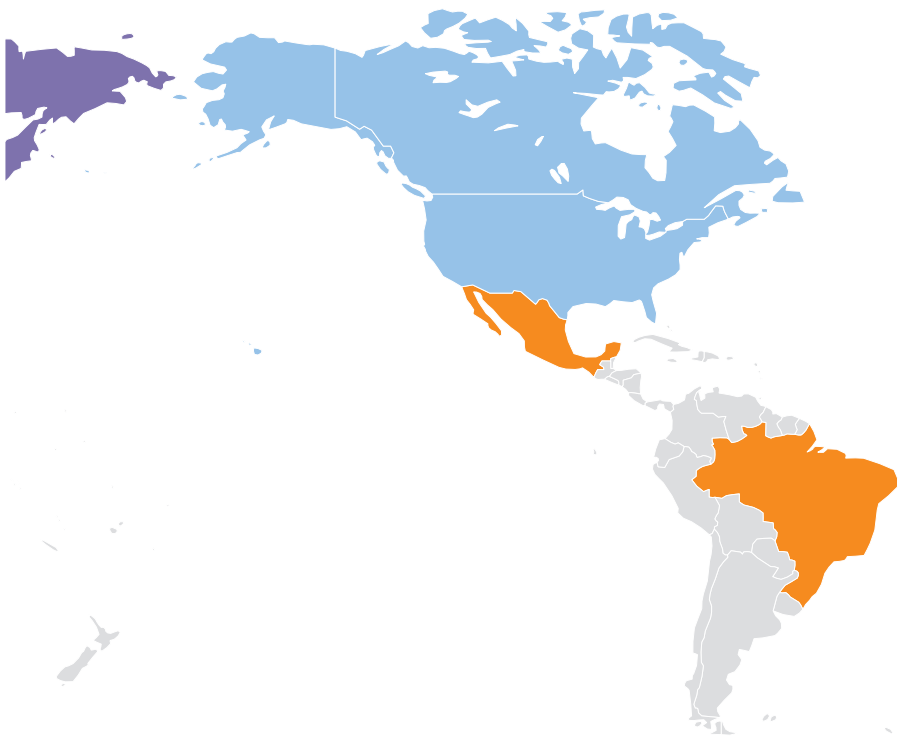
Sompo Seguros S.A. is a comprehensive insurance company that deals in P&C and life insurance in Brazil. Also, its subsidiary, Sompo Saúde Seguros S.A. is the only Japanese insurance company in this country to supply health insurance.

In 2009, Sompo Seguros' predecessor, Yasuda Seguros S.A., acquired shares of Maritima Seguros S.A., which boasted retail business strengths in Brazil. The subsequent merger of these two companies has enabled us to develop a strong presence in the Brazilian P&C insurance market.

* On July 1, 2016, Yasuda Maritima Seguros S.A.'s name was changed to Sompo Seguros S.A., and Yasuda Maritima Saúde Seguros S.A.'s name was changed to Sompo Saúde Seguros S.A.

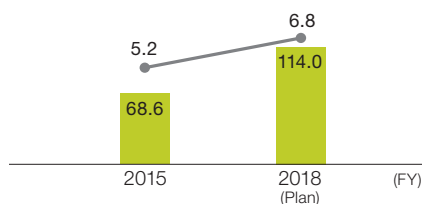


Francisco Caiuby Vidigal Filho
President
Sompo Seguros S.A.



Asia & Middle East

(Billions of yen)



■ Premiums Written — Adjusted Profit

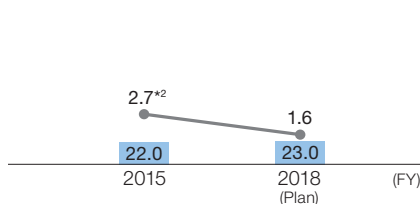
Main Operating Companies

As of July 1, 2016

- Sompo Japan Sigorta Anonim Şirketi
- Sompo Holdings (Asia) Pte. Ltd.
- Sompo Insurance Singapore Pte. Ltd.
- Berjaya Sompo Insurance Berhad
- Sompo Japan Nipponkoa Insurance (China) Co., Ltd.
- Sompo Japan Nipponkoa Insurance (Hong Kong) Company Limited
- Universal Sompo General Insurance Company Limited

North America

(Billions of yen)



■ Premiums Written — Adjusted Profit

Main Operating Companies

As of July 1, 2016

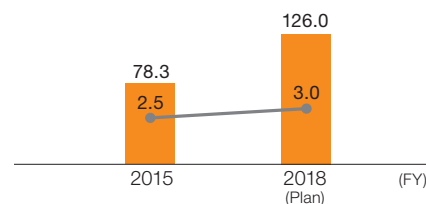
- Sompo America Holdings Inc.
- Sompo Japan Insurance Company of America

*1. Premiums written are those underwritten only by foreign subsidiaries and, therefore, do not include those underwritten abroad by Sompo Japan Nipponkoa.

*2. Figures have been adjusted for extraordinary factors in fiscal 2015 (including approximately ¥1.7 billion in gain on sales of shares resulting from restructuring of shareholders of an invested company at Sompo Japan Insurance Company of America).

Latin America

(Billions of yen)



■ Premiums Written — Adjusted Profit

Main Operating Companies

As of July 1, 2016

- Sompo Seguros S.A.
- Sompo Saúde Seguros S.A.

TOPICS

Developed Countries

Reorganization of Sampo Canopus' Reinsurance Business and Branding Strategies

The Sampo Canopus Group globally develops insurance underwriting businesses in specialty fields and reinsurance businesses primarily in the Lloyd's insurance market in the United Kingdom. This group's operations were reorganized with the November 2015 establishment of reinsurance company Sampo Japan Canopus Reinsurance AG. Under unified strategies, the new company will develop branches in markets in which we expect to be able to expand businesses while appointing underwriters for establishing underwriting systems. In this manner, the company will come to function as a platform for expanding reinsurance operations. Furthermore, as part of the Sampo Holdings Group's branding strategies, the Sampo Canopus Group was consolidated under the SOMPO CANOPIUS brand in February 2016. With this brand extension, we will continue to grow the brand on a global scale going forward.

Synergies with the Sampo Canopus Group

The Sampo Holdings Group is taking advantage of the Sampo Canopus Group's expertise in developing intra-Group collaborative ventures, such as providing compensation for damages from acts of terrorism. In addition, the development of new products is being advanced with overseas Sampo Holdings Group companies, and successfully developed products currently include hull insurance for the Turkish market and energy insurance for the Brazilian market.

Collaboration is also taking place in fields other than insurance products, including a joint project with Sampo Canopus and global players in the industry for developing quantitative evaluation tools for cargo insurance risks. Going forward, we will continue to engage in such joint projects to create innovative products and risk management services that contribute to the peace of mind and safety of customers.

Emerging Countries

Bancassurance Agreement in ASEAN Region

In June 2016, subsidiary Sampo Holdings (Asia) Pte. Ltd. entered into a long-term, regional non-life bancassurance distribution agreement with CIMB Group Holdings Berhad, one of ASEAN's largest banking groups. This agreement has enabled the Group to sell its products to more than 12 million customers through CIMB Group's sales channels, including its network of approximately 1,000 branches in four ASEAN countries (Malaysia, Indonesia, Singapore, and Thailand) as well as its Internet and mobile banking platforms.



Sampo Canopus Chairman Michael Watson (left) and Sampo Holdings Group CEO Kengo Sakurada (right), celebrating the birth of new brand



Lloyd's Building in London housing the Sampo Canopus office



CIMB Group CEO Tengku Dato' Sri Zafrul Aziz (left) and Sampo Holdings Group CEO Kengo Sakurada (right), shaking hands at a ceremony celebrating the alliance

Sompo Insurance Indonesia Ranked Overall No. 1 Insurance Company in Indonesian Economic Magazine

In June 2016, PT Sompo Insurance Indonesia was ranked overall No. 1 among insurance companies by the Indonesian economic magazine *infobank*. Of the 75 P&C insurance companies in Indonesia, only 15 were included in the highest category, limited to those with premiums written of Rp 1 trillion (approximately 8.0 billion yen). Among these companies, Sompo Insurance Indonesia was selected as No. 1 based on its total score for indicators such as rate of growth in premiums written and profit margins.

Under the leadership of CEO Daniel Neo, Sompo Insurance Indonesia posted a 21% increase in the growth rate of premiums written in fiscal 2015. Striving to expand its local retail business, Sompo Insurance Indonesia appointed a CEO and COO from outside of the company, both of whom have extensive knowledge about the Indonesian market. This move enabled the company to improve operation and service capacities, facilitating sales promotions for its two core businesses, automobile insurance and medical insurance, and earning the company a strong reputation.

Weather Index Insurance in Southeast Asia

One of the Group's offerings is weather index insurance, a product that offers compensation for farmers against the risks of lost income due to bad crops resulting from poor weather conditions. Since launching this product in Thailand in 2010, we have continued to deploy similar products throughout Myanmar, the Philippines, and Indonesia, tailoring offerings to each market based on regional conditions.

These efforts have earned recognition, leading to this weather index insurance being awarded the Environmental Minister's Award in March 2016 as an example of a superior initiative at the General Assembly of the Ministry of the Environment's Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century). Also in March, we received the Minister of State for Space Policy Prize at the 2nd Space Development and Utilization Grand Prizes for the development of weather index insurance using earth observation satellite data in Myanmar.

The Group is committed to contributing to a sustainable society into the future by providing solutions to the segments of society that have exceptional exposure to risks.

Business Alliance Memorandum with Private Myanmar Insurance Company

Sompo Japan Nipponkoa has entered into a business alliance memorandum with private Myanmar insurance company AYA Myanmar Insurance Co., Ltd. (AMI). This is the first time such an agreement has been formed between a private Myanmar insurance company and a foreign insurance company.

On May 25, 2015, Sompo Japan Nipponkoa received approval to underwrite P&C insurance in Myanmar's Thilawa Special Economic Zone, and sales activities have since commenced. We hope to use the signing of this memorandum as an opportunity to accumulate local insurance sales expertise. We will also engage in personnel exchanges, training, seminars, and other activities with AMI to share the Group's insurance underwriting and damage assessment expertise with the aim of contributing to the development of Myanmar's P&C insurance market.



Head office of Sompo Insurance Indonesia (top), and certificate and trophy received from *infobank* (bottom)



Award ceremony for the 2nd Space Development and Utilization Grand Prizes



Business alliance memorandum signing ceremony with AMI

Strategic Businesses



Business Overview

Our strategic businesses include assisting customers with building asset portfolios through the asset management business and providing policyholders with roadside assistance service through the assistance business. We are also advancing into the home remodeling and extended warranty business fields. Through these businesses, we pursue inter-business coordination that is intrinsically related to our domestic P&C insurance business and other main businesses.

Company Outline

As of March 31, 2016



Sompo Japan Nipponkoa Asset Management Co., Ltd., aims to be the most customer-oriented asset management company in Japan. This company proposes and provides top-caliber products and asset management services to assist customers in building asset portfolios over the medium-to-long term. Such offerings are made available through its investment advisory business geared toward pension funds and other institutional investors and through its investment trust business designed primarily for private investors.

Sompo Japan Nipponkoa Asset Management Co., Ltd.

Establishment: February 1986
Capital: 1,550 million yen
Shareholder: Sompo Holdings (100%)
Head office: Kyoritsu Nihonbashi Building, 2-16, Nihonbashi 2-chome, Chuo-ku, Tokyo
URL: <http://www.sjnk-am.co.jp/>



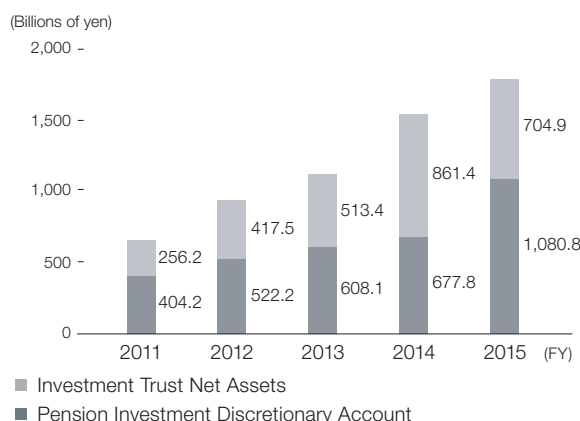
Hiroyuki Yamaguchi
 President and Chief Executive Officer

Assets under Management

Established as an asset management company in 1986, Sompo Japan Nipponkoa Asset Management celebrated its 30th anniversary on February 25, 2016.

In fiscal 2015, the assets under management for this company rose substantially after being entrusted to manage large-scale public pension funds both in Japan and overseas.

On March 31, 2016, the company's assets under management consisted of 1,080.8 billion yen in a pension investment discretionary account and 704.9 billion yen in investment trust net assets.



Declaration of Customer-First Policy

Exemplifying a commitment to its fiduciary duty, Sompo Japan Nipponkoa Asset Management formulated and announced its Declaration of Customer-First Policy.

Declaration of Customer-First Policy

Vision for the Company

Sompo Japan Nipponkoa Asset Management Co., Ltd., strives to be the most customer-oriented asset management company in Japan by proposing and providing top-caliber products and asset management services that aid customers in building asset portfolios over the medium-to-long term.

Three Principal Achievements

We view our fiduciary duty as our top responsibility to our customers as professionals, and we seek to accomplish the following three principal achievements in our operations to fulfill this responsibility.

1. Provision of products and services that truly incorporate the customer's perspective
2. Realization of asset management capabilities that support customers' asset portfolios
3. Reinforcement of the corporate systems and operating infrastructure necessary to realize the above



"Happy Aging Fund"

The Happy Aging Fund 60 received the first prize in the Mixed Asset Conservative Fund category of Rating and Investment Information, Inc. (R&I)'s R&I Fund Award 2016.



"Buna no Mori" SRI Fund

Focused on investment in companies that actively address environmental issues, the "Sompo Japan Green Open" (nicknamed "Buna no Mori" (beech forest)) fund is one of the largest publicly offered SRI investment trust funds in Japan.

Prime Assistance

Through its assistance business, which provides roadside and home assistance as well as assistance in solving problems and inconveniences overseas, the company offers services of the highest grade 24 hours a day, 365 days a year that support the security and wellbeing of customers in their daily lives.

Prime Assistance Inc.

Establishment: April 2012
Capital: 450 million yen
Shareholder: Sampo Holdings (66.6%)
 Prestige International (33.4%)
Head office: Harmony Tower, 32-2,
 Honcho 1-chome,
 Nakano-ku, Tokyo
URL: <http://www.prime-as.com/>



Yukihiko Tajima
 President and Chief
 Executive Officer

TOPICS



Establishment of Kagoshima Business Center

Prime Assistance positioned a large-scale call center in Kagoshima City, its third call center after establishing those in Akita Prefecture and Tokyo in April 2014, and call center operations have continued to be smooth. On June 1, 2016, this call center was expanded to include a business center in Kagoshima City for improving customer convenience, providing higher-quality service, and reinforcing business continuity management. With the commencement of operations at this center, it has been contributing to more reliable service.

FRESH HOUSE

As a specialist remodeling firm, the company aims to eliminate uneasiness, inconvenience, and discomfort through high-quality remodeling services, providing homes in which residents can live in safety, comfort, and peace of mind.

FRESHHOUSE CO., LTD.

Establishment: July 1995
Capital: 100 million yen
Shareholder: Sampo Holdings (66%)
Head office: Sampo Japan Nipponkoa
 Bentendoori Building, 57,
 Bentendoori 4-chome, Naka-ku,
 Yokohama City, Kanagawa
URL: <https://freshhouse.jp/>



Shuu Nakamura
 President and Chief
 Executive Officer

Robust Lineup of Home Remodeling Services Ranging from Small Installation to Add-Ons

Kitchen and bath

Interior reform

Add-ons and renovations

Bathrooms

Exterior reform

Maintenance

Outlet furnishing supply



Product Warranty Japan

As a professional extended warranty company, Product Warranty Japan seeks to create a society in which consumers can use any product safely and with peace of mind. Based on lofty ethical standards, this company develops, provides, and operates reliable warranty programs in a wide variety of product categories.

Product Warranty Japan Inc.

Establishment: August 2009
Capital: 95 million yen
Shareholder: Sampo Holdings (100%)
Head office: Yurakucho Denki Building (South),
 7-1, Yurakucho 1-chome,
 Chiyoda-ku, Tokyo, Japan
URL: <http://www.pw-japan.co.jp/>



Masaki Tabuchi
 President and Chief
 Executive Officer

TOPICS



As a Member of the Sampo Holdings Group

On December 25, 2015, Product Warranty Japan became a member of the Sampo Holdings Group. Consumers can receive extended warranty services that extend beyond the manufacturer's warranty when purchasing home electronics or other products simply by paying a fee based on the price of the product. We will supply repair services should a product break or malfunction during the extended warranty period. By providing extended warranty services that are highly compatible with P&C insurance, Product Warranty Japan hopes to increase its corporate value.

(Reference) Definition of Adjusted Consolidated Profit, Etc.

| | | New Mid-Term Management Plan | (Reference) Previous plan |
|----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Adjusted profit for each business | Domestic P&C insurance ¹ | Net income + Provisions for catastrophic loss reserve (after tax) + Provisions for reserve for price fluctuation (after tax) – Gains/losses on sales of securities and impairment losses on securities (after tax) – Special factors (e.g. dividend from subsidiaries) | Net income + Provisions for catastrophic loss reserve (after tax) + Provisions for reserve for price fluctuation (after tax) – Gains/losses on sales of securities and impairment losses on securities (after tax) – Special factors |
| | Domestic life insurance CHANGE | Net income + Provision of capital reserve (after tax) + Adjustment of underwriting reserve (after tax) + Deferral of acquisition cost (after tax) – Depreciation of acquisition cost (after tax) | Growth in embedded value (EV) – Capital transactions such as equity issuance – Changes in EV attributable to fluctuation of interest rates, etc. |
| | Nursing care & healthcare, etc. ² | Net income | Net income |
| | Overseas insurance CHANGE | Net income (incl. major non-consolidated subsidiaries) | Net income (excl. non-consolidated subsidiaries) |
| Adjusted consolidated profit | | Total of above adjusted profits | Total of above adjusted profits |
| Adjusted consolidated net assets CHANGE | | Consolidated net assets (excluding life insurance subsidiary's net assets) + Catastrophic loss reserve in domestic P&C insurance (after tax) + Reserve for price fluctuation in domestic P&C insurance (after tax) + Domestic life insurance adjusted net assets ³ | Consolidated net assets (excluding life insurance subsidiary's net assets) + Catastrophic loss reserve in domestic P&C insurance (after tax) + Reserve for price fluctuation in domestic P&C insurance (after tax) + Life insurance subsidiary's EV |
| Adjusted consolidated ROE | | Adjusted consolidated profit / Adjusted consolidated net assets * The denominator is the average balance at the end/start of each fiscal year. | Adjusted consolidated profit / Adjusted consolidated net assets * The denominator is the average balance at the end/start of each fiscal year. |

*1. Total of Sompo Japan Nipponkoa, Saison Automobile & Fire, Sonpo 24, Sompo Japan Nipponkoa Insurance Services, and Sompo Japan Nipponkoa DC Securities
 *2. Total of Sompo Care Message, Sompo Care Next, Cedar, Sompo Risk Management & Health Care, Sompo Japan Nipponkoa Asset Management, Prime Assistance, Product Warranty Japan, and Fresh House

*3. Domestic life insurance net assets = Net assets (J-GAAP, after tax) + Contingency reserve (after tax) + Reserve for price fluctuation (after tax) + Adjustment of underwriting reserve (after tax) + Non-depreciated acquisition cost (after tax)
 In FY2015, net assets (J-GAAP) were ¥153.6 billion, MCEV was ¥700.0 billion, and adjusted net assets were ¥378.3 billion.