

Highlights of 3Q FY2017 Results

February 14, 2018
Sompo Holdings, Inc.



Table of Contents

| | | | |
|---|----|---|----|
| Highlights of 3Q FY2017 results | 2 | 3. Domestic life insurance | |
| 1. Trend of business results | | Overview of 3Q FY2017 results – Himawari Life | 27 |
| Overview of 3Q FY2017 results – consolidated basis | 4 | Net income – J-GAAP | 28 |
| Main points of consolidated results – (1) Underwriting profit | 5 | Adjusted profit and adjusted net assets – Himawari Life | 29 |
| Main points of consolidated results – (2) Ordinary profit | 6 | 4. Nursing care & healthcare, etc. | |
| Main points of consolidated results – (3) Net income | 7 | Overview of 3Q FY2017 results – Nursing care & healthcare, etc. | 31 |
| (Reference) Business forecasts for FY2017 – consolidated basis | 8 | Residents and occupancy rate of nursing care business | 32 |
| (Reference) Breakdown of business forecasts for FY2017 | 9 | 5. Overseas insurance | |
| Expected progress for Consolidated Net Income in 4Q FY2017 | 10 | Overview of 3Q FY2017 results – Overseas insurance | 34 |
| (Reference) Progress of quarterly results | 11 | Business results by region | 35 |
| (Reference) Numerical management targets, etc. | 12 | (Reference) Business results by company | 36 |
| 2. Domestic P&C insurance | | (Reference) Overview of business results of SI (Endurance) | 37 |
| Overview of 3Q FY2017 results – Sompo Japan Nipponkoa | 14 | 6. ERM & asset management | |
| Net premiums written | 15 | Financial soundness – ESR (99.5% VaR) | 39 |
| Loss ratio (W/P) | 16 | (Reference) Breakdown of adjusted capital and risk (99.5% VaR) | 40 |
| Net expense ratio | 17 | Asset portfolio – group-wide | 41 |
| Combined ratio | 18 | Asset portfolio – Sompo Japan Nipponkoa | 42 |
| Investment profit | 19 | Asset portfolio – Himawari Life | 43 |
| (Reference) Breakdown of investment profit | 20 | | |
| (Reference) Business forecasts for FY2017 – Sompo Japan Nipponkoa | 21 | | |
| (Reference) Assumption of business forecasts for FY2017 | 22 | | |
| (Reference) Related indicators of automobile insurance | 23 | | |
| (Reference) Domestic natural disasters | 24 | | |
| (Reference) Fund and reserve | 25 | | |

Highlights of 3Q FY2017 Results

- ◆ Consolidated ordinary profit for 3Q FY2017 decreased ¥58.0 billion to ¥107.4 billion, mainly due to the impact of hurricanes in North America.
- ◆ Consolidated net income for 3Q FY2017 increased ¥27.4 billion to ¥137.2 billion, mainly due to a decrease in tax expenses in connection with the reorganization of SI, etc.

- Non-consolidated net income of Sompo Japan Nipponkoa largely increased ¥72.4 billion to ¥175.0 billion, mainly due to a decrease in tax expenses in connection with the reorganization of SI, etc.
 - E/I loss ratio (excl. CALI, household earthquake) was 60.7%, progressing below the level anticipated in FY2017 forecasts (61.1%).
 - The reduction in strategic-holding stocks (including hedges) amounted to ¥97.4 billion.
- Domestic life insurance business delivered solid business performance with steady growth in policies in force.
- Net income in the nursing care business rose ¥3.8 billion to ¥1.4 billion, due to becoming profitable based on an improving occupancy rate.
- Overseas insurance business was impacted by an incurred loss related to hurricanes in North America.
 - Earnings increased on an adjusted profit basis, due partly to the impact of the abovementioned reorganization.
- The progress rate for consolidated net income improved dramatically in 3Q FY2017.
Progress rate for adjusted consolidated profit (¥150.1 billion) was 77% against FY2017 forecast (¥195.0 billion).

1. Trend of business results

2. Domestic P&C insurance

3. Domestic life insurance

4. Nursing care & healthcare, etc.

5. Overseas insurance

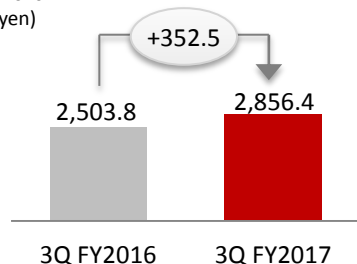
6. ERM & asset management

Overview of 3Q FY2017 Results – Consolidated Basis

- ◆ The top-line increased due to higher net premiums written in Sampo Japan Nipponkoa and the consolidation of P/L of SI (Endurance).
- ◆ Consolidated net income drastically increased to ¥137.2 billion by covering the impact of hurricanes in North America with a decrease in tax expenses in connection with the reorganization of SI, etc.

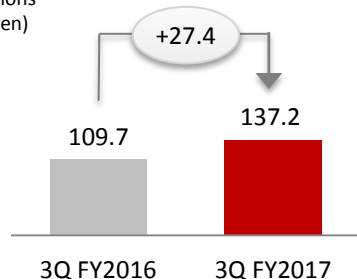
Consolidated ordinary income

(Billions of yen)



Consolidated net income

(Billions of yen)



| (Billions of yen) | 3Q FY2016 | 3Q FY2017 | Change |
|---|-----------|-----------|-----------------|
| Consolidated ordinary income | 2,503.8 | 2,856.4 | + 352.5(+14.1%) |
| Net premiums written (P&C) | 1,886.3 | 2,179.6 | +293.3(+15.6%) |
| Life insurance premiums | 231.0 | 253.8 | +22.7(+9.8%) |
| Consolidated ordinary profit | 165.5 | 107.4 | -58.0 |
| Sampo Japan Nipponkoa | 150.8 | 150.2 | -0.6 |
| Himawari Life | 12.4 | 12.2 | -0.2 |
| Nursing care (SOMPO Care Message and Next) | -1.3 | 2.4 | +3.8 |
| Overseas insurance subsidiaries | 15.2 | -39.7 | -55.0 |
| Consolidated adjustment* ¹ /Others | -11.7 | -17.6 | -5.9 |
| Consolidated net income* ² | 109.7 | 137.2 | +27.4 |
| Sampo Japan Nipponkoa | 102.6 | 175.0 | +72.4 |
| Himawari Life | 8.1 | 7.8 | -0.2 |
| Nursing care (SOMPO Care Message and Next) | -2.4 | 1.4 | +3.8 |
| Overseas insurance subsidiaries | 12.9 | -31.1 | -44.1 |
| Consolidated adjustment* ¹ /Others | -11.5 | -15.8 | -4.3 |
| (Reference) Adjusted profit (by business) | 132.9 | 150.1 | +17.1 |
| Domestic P&C insurance | 97.8 | 85.2 | -12.6 |
| Domestic life insurance | 22.2 | 22.6 | +0.4 |
| Nursing care & healthcare, etc. | -0.9 | 2.4 | +3.3 |
| Overseas insurance | 13.8 | 39.8 | +26.0 |

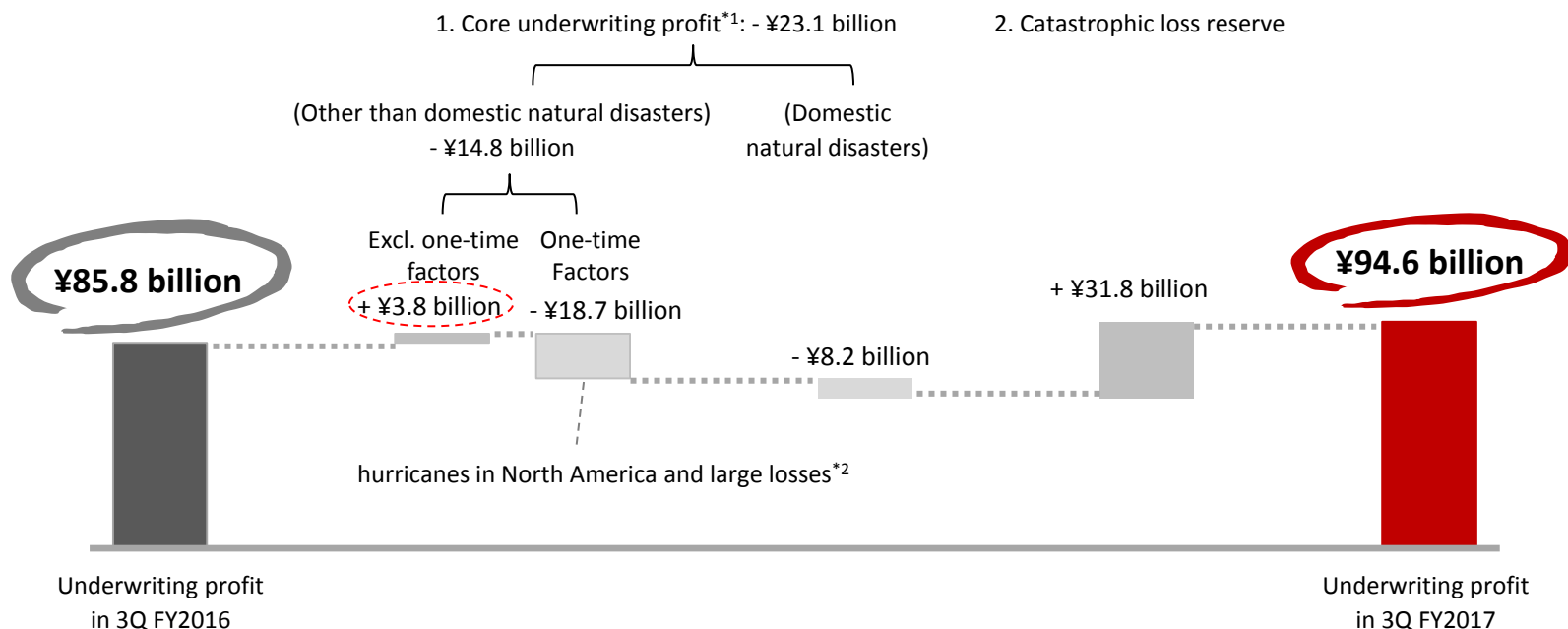
*1 "Purchase method" accounting was adopted upon the establishment of Sampo Holdings. The figures therefore include adjustments for gains/losses on sales, etc.

*2 Consolidated net income denotes net income (loss) attributable to shareholders of the parent. (The same shall apply hereafter.)

Main Points of Consolidated Results – (1) Underwriting Profit

◆ Core underwriting profit excluding domestic natural disasters and one-time factors increased ¥3.8 billion.

Changing factors of underwriting profit (Sompo Japan Nipponkoa)



| | 1. Core underwriting profit | | | 2. Catastrophic loss reserve | Underwriting profit |
|-------------------------|---|------------------------------|------------------------|------------------------------|----------------------|
| | (Other than domestic natural disasters) | (Domestic natural disasters) | | | |
| 3Q FY2016 Actual | ¥108.1 billion | ¥142.3 billion | - ¥34.2 billion | - ¥22.2 billion | ¥85.8 billion |
| 3Q FY2017 Actual | ¥85.0 billion | ¥127.4 billion | - ¥42.4 billion | + ¥9.5 billion | ¥94.6 billion |

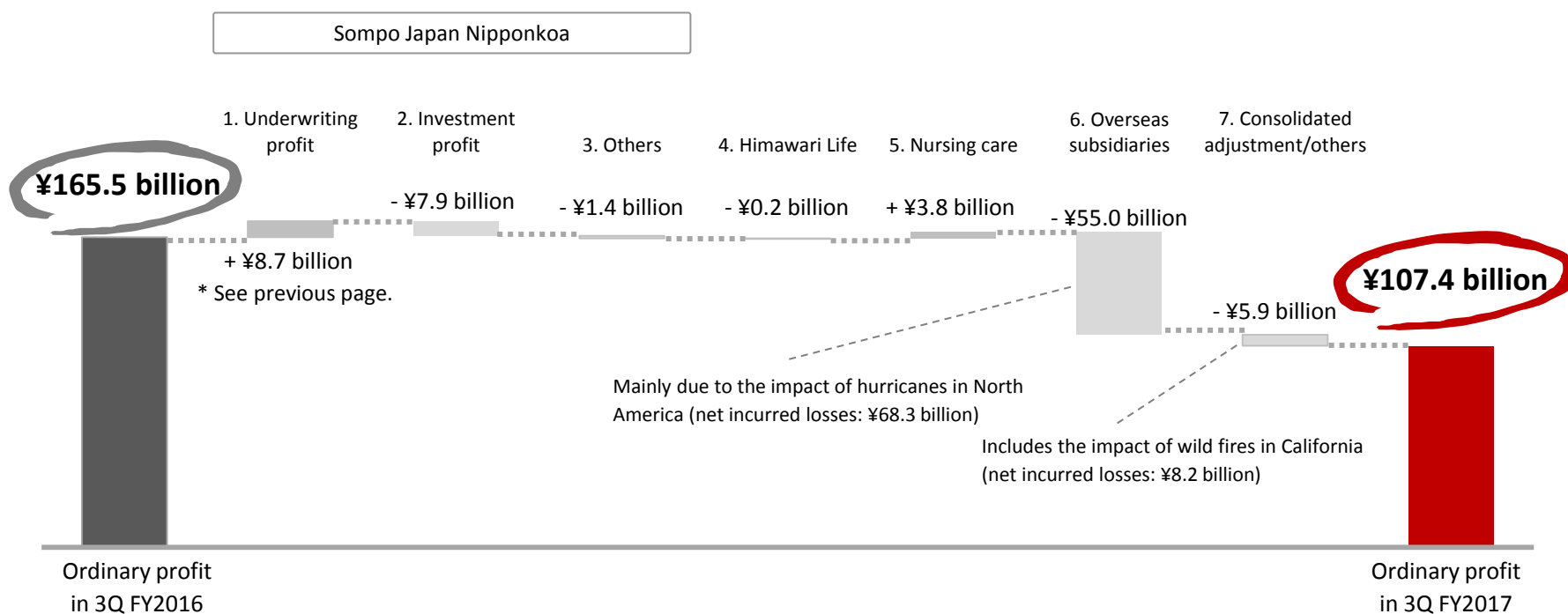
*1 Core underwriting profit is underwriting profit less the impact related to catastrophic loss reserve.

*2 The breakdown (net incurred losses): hurricanes in North America (- ¥5.1 billion) and large losses (- ¥13.6 billion).

Main Points of Consolidated Results – (2) Ordinary Profit

- ◆ Consolidated ordinary profit decreased ¥58.0 billion to ¥107.4 billion, mainly due to the impact of hurricanes in North America.

Changing factors of consolidated ordinary profit

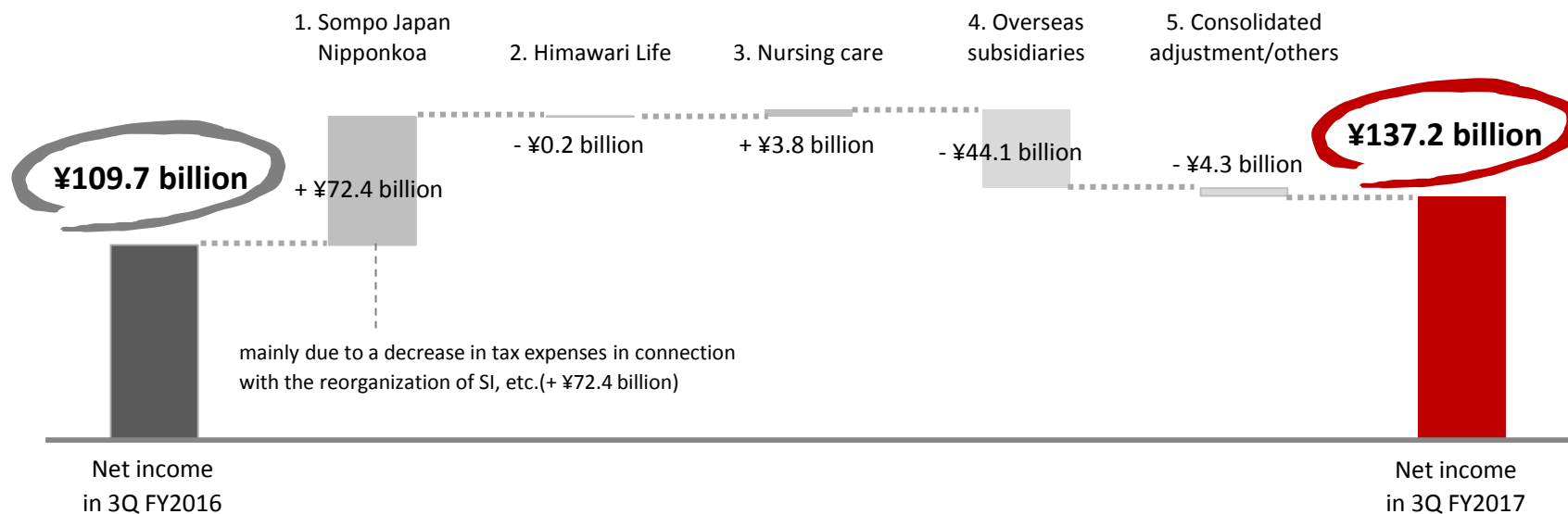


| | 1. Underwriting profit | 2. Investment profit | 3. Others | 4. Himawari Life | 5. Nursing care | 6. Overseas subsidiaries | 7. Consolidated adjustment/others | Ordinary profit |
|------------------|------------------------|----------------------|-----------------|------------------|-----------------|--------------------------|-----------------------------------|-----------------|
| 3Q FY2016 Actual | ¥85.8 billion | ¥79.2 billion | - ¥14.3 billion | ¥12.4 billion | - ¥1.3 billion | ¥15.2 billion | - ¥11.7 billion | ¥165.5 billion |
| 3Q FY2017 Actual | ¥94.6 billion | ¥71.3 billion | - ¥15.7 billion | ¥12.2 billion | ¥2.4 billion | - ¥39.7 billion | - ¥17.6 billion | ¥107.4 billion |

Main Points of Consolidated Results – (3) Net Income

- ◆ Consolidated net income increased ¥27.4 billion to ¥137.2 billion, mainly due to a decrease in tax expenses in connection with the reorganization of SI ,etc.

Changing factors of consolidated net income



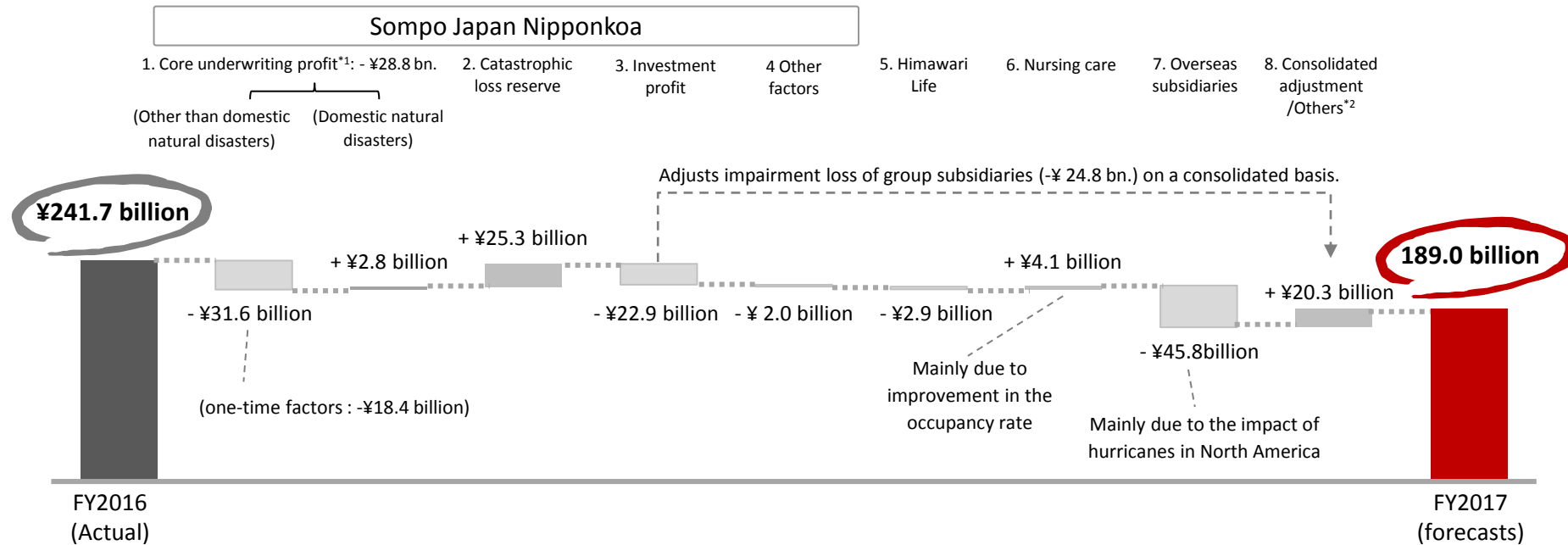
| | 1. Sampo Japan Nipponkoa | 2. Himawari Life | 3. Nursing care | 4. Overseas subsidiaries | 5. Consolidated adjustment/others | Net income |
|------------------|--------------------------|------------------|-----------------|--------------------------|-----------------------------------|----------------|
| 3Q FY2016 Actual | ¥102.6 billion | ¥8.1 billion | - ¥2.4 billion | ¥12.9 billion | - ¥11.5 billion | ¥109.7 billion |
| 3Q FY2017 Actual | ¥175.0 billion | ¥7.8 billion | ¥1.4 billion | - ¥31.1 billion | - ¥15.8 billion | ¥137.2 billion |

(Reference) Business Forecasts for FY2017 – Consolidated Basis

| (Billions of yen) | FY2016 (Actual) | FY2017 (forecasts) | Change |
|--|--------------------|-----------------------|-----------------|
| Net premiums written (P&C) | 2,550.3 | 2,854.0 | +303.6 (+11.9%) |
| Life insurance premiums | 323.8 | 337.5 | +13.6 (+4.2%) |
| Consolidated ordinary profit | 241.7 | 189.0 | -52.7 |
| Sompo Japan Nipponkoa | 230.4 | 202.0 | -28.4 |
| Himawari Life | 12.9 | 10.0 | -2.9 |
| Nursing care (SOMPO Care Message and Next) | -1.2 | 2.9 | +4.1 |
| Overseas subsidiaries | 22.7 | -23.1 | -45.8 |
| Consolidated adjustment/others | -23.1 | -2.7 | +20.3 |
| Consolidated net income | 166.4 | 152.0 | -14.4 (-8.7%) |
| Sompo Japan Nipponkoa | 164.4 | 185.0 | +20.5 |
| Himawari Life | 8.3 | 6.0 | -2.3 |
| Nursing care (SOMPO Care Message and Next) | -2.9 | 2.0 | +4.9 |
| Overseas subsidiaries | 19.5 | -16.5 | -36.1 |
| Consolidated adjustment/others | -22.9 | -24.4 | -1.4 |
| Consolidated net income per share (Yen) | 419 | 392 | -26 |
| (Reference) Adjusted profit (by business) | 183.2 | 195.0 | +11.7 (+6.4%) |
| Domestic P&C insurance | 134.9 | 100.2 | -34.6 |
| Domestic life insurance | 29.1 | 28.0 | -1.1 |
| Nursing care & healthcare, etc. | -0.7 | 3.6 | +4.3 |
| Overseas insurance | 19.9 | 63.1 | +43.2 |
| Adjusted profit per share (Yen) | 461 | 501 | +40 (+8.7%) |

(Reference) Breakdown of Business Forecasts for FY2017

Main components of consolidated ordinary profit



| | 1. Core underwriting profit | | 2. Catastrophic loss reserve | 3. Investment profit | 4. Other factors | 5. Himawari Life | 6. Nursing care | 7. Overseas subsidiaries | 8. Consolidated adjustment /Others | Ordinary profit |
|-------------------------|---|------------------------------|------------------------------|-----------------------|------------------------|----------------------|---------------------|--------------------------|------------------------------------|-----------------------|
| | (Other than domestic natural disasters) | (Domestic natural disasters) | | | | | | | | |
| FY2016 Actual | ¥184.1 billion | - ¥55.8 billion | - ¥15.8 billion | ¥132.3 billion | - ¥14.3 billion | ¥12.9 billion | - ¥1.2 billion | ¥22.7 billion | - ¥23.1 billion | ¥241.7 billion |
| FY2017 forecasts | ¥152.4 billion | - ¥53.0 billion | ¥9.5 billion | ¥109.3 billion | - ¥16.3 billion | ¥10.0 billion | ¥2.9 billion | - ¥23.1 billion | - ¥2.7 billion | ¥189.0 billion |

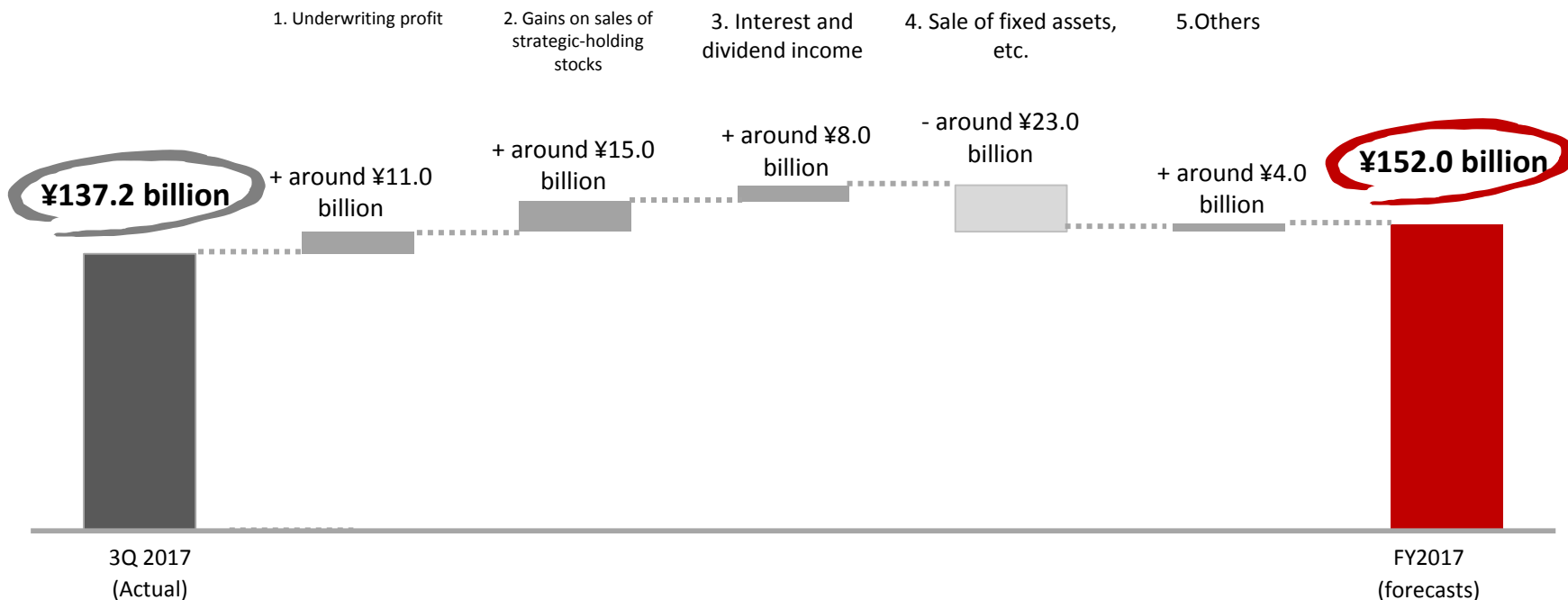
*1 Core underwriting profit is underwriting profit less the impact related to catastrophic loss reserve.

*2 The goodwill for the SI (Endurance) acquisition is \$1,513 million. Combined with intangible assets, the net amortization amount is around \$2,000 million. The amortization period for the goodwill is 10 years, and the amortization period for intangible asset has been set appropriately. The total annual amortization costs is around \$200 million (projected at \$199 million (¥22.4 billion) for FY2017).

Expected progress for Consolidated Net Income in 4Q FY2017

◆ Expecting to generate steady underwriting profit and outperform the target for sales of strategic-holding stocks, business forecasts for FY2017 remains unchanged.

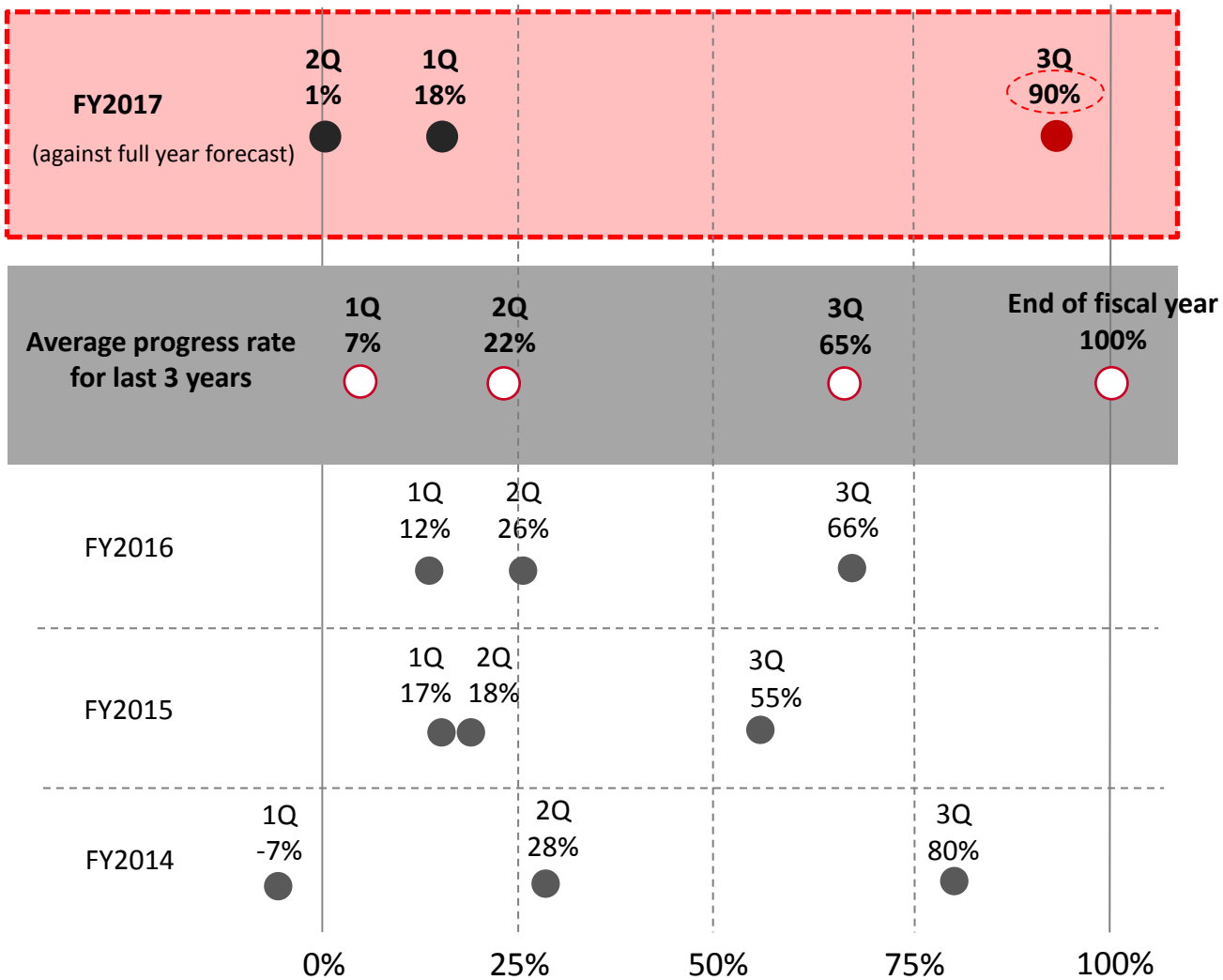
Changing factors of consolidated net income in 4Q FY2017



* 1 to 4 figures are expected by Sompo Japan Nipponkoa

(Reference) Progress of Quarterly Results

Progress in each quarter (consolidated net income)



(Reference) Numerical Management Targets, etc.

Numerical management targets

| (Billions of yen) | FY2016 | FY2017 | | FY2018 |
|---|--------------|--------------|--------------|----------------------|
| | (Actual) | (3Q actual) | (forecasts) | (Plan) |
| Domestic P&C insurance*1 | 134.9 | 85.2 | 100.2 | Over 120.0 |
| Domestic life insurance | 29.1 | 22.6 | 28.0 | Over 32.0 |
| Nursing care & healthcare, etc. | -0.7 | 2.4 | 3.6 | Over 8.0 |
| Overseas insurance | 19.9 | 39.8 | 63.1 | Over 60.0 |
| Total (Adjusted consolidated profit) | 183.2 | 150.1 | 195.0 | 220.0 – 230.0 |
| Adjusted consolidated ROE*2 | 7.6% | -- | 7.6% | Over 8% |
| (Reference) ROE (J-GAAP) | 9.7% | -- | 8.2% | Around 10% level |

Definition of adjusted profit

Domestic P&C insurance

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)

Domestic life insurance

Net income
 + Provision of contingency reserve (after tax)
 + Provision of reserve for price fluctuation (after tax)
 + Adjustment of underwriting reserve (after tax)
 + Deferral of acquisition cost (after tax)
 – Depreciation of acquisition cost (after tax)

Nursing care & healthcare, etc.

Net income

Overseas insurance

Net income
 (including major non-consolidated subsidiaries)
 Adjusted profit of SI (Endurance) is operating income*3

*1 Total of Sompo Japan Nipponkoa, Saison Automobile & Fire, Sonpo 24, Sompo Japan Nipponkoa Insurance Services, DC Securities and Sompo Risk Management & Healthcare (from FY2017)

*2 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 net assets = 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

Domestic life insurance adjusted net assets = Net assets (J-GAAP) + Contingency reserve (after tax) + Reserve for price fluctuation (after tax)

+ Adjustment of underwriting reserve (after tax) + Non-depreciated acquisition cost (after tax)

*3 Adjusted profit of SI (Endurance) is defined as operating income, which excludes one-time factors (operating income = net income - net foreign exchange gains/losses

- net realized and unrealized gains/losses - net impairment losses recognized in earnings, etc.). Forecasts for the overseas insurance business in FY2017 include a decrease in tax expenses in connection with the reorganization of SI.

1. Trend of business results

2. Domestic P&C insurance

3. Domestic life insurance

4. Nursing care & healthcare, etc.

5. Overseas insurance

6. ERM & asset management

Overview of 3Q FY2017 Results – Sompo Japan Nipponkoa

- ◆ Ordinary profit was largely flat year on year.
- ◆ Net income increased ¥72.4 billion, based on a decrease in tax expenses in connection with the reorganization, etc.

| (Billions of yen) | 3Q FY2016 | 3Q FY2017 | Change | |
|---|-----------|-----------|---------------|---|
| Net premiums written | 1,618.8 | 1,636.1 | +17.3 (+1.1%) | |
| (excl. CALI, household earthquake) | 1,398.8 | 1,412.3 | +13.5(+1.0%) | |
| Net premiums earned (excl. CALI, household earthquake) | 1,410.8 | 1,413.1 | +2.3(+0.2%) | |
| Loss ratio | 63.2% | 64.0% | +0.9pt | |
| (excl. CALI, household earthquake) | 59.3% | 61.6% | +2.3pt | |
| E/I loss ratio (excl. CALI, household earthquake) | 59.1% | 60.7% | +1.6pt | |
| Net expense ratio | 31.9% | 32.1% | +0.1pt | |
| (excl. CALI, household earthquake) | 33.7% | 33.8% | +0.1pt | |
| Combined ratio | 95.1% | 96.1% | +1.0pt | |
| (excl. CALI, household earthquake) | 92.9% | 95.3% | +2.4pt | |
| Underwriting profit | 85.8 | 94.6 | +8.7 | Mainly due to improved profitability of automobile insurance |
| Investment profit | 79.2 | 71.3 | -7.9 | Mainly the loss on valuation of securities related to shares of consolidated subsidiaries. (Eliminated on a consolidated) |
| Ordinary profit | 150.8 | 150.2 | -0.6 | |
| Net income | 102.6 | 175.0 | +72.4 | a decrease in tax expenses in connection with the reorganization of SI, etc. (+ ¥72.4 billion). |
| + Provisions for catastrophic loss reserve (after tax) | 15.9 | -6.8 | -22.8 | |
| + Provisions for reserve for price fluctuation (after tax) | 4.3 | 5.8 | +1.4 | |
| - Gains/losses on sales of securities and impairment losses on securities (after tax) | 28.6 | 20.7 | -7.8 | |
| - Special factors (after tax)* | -5.7 | 66.5 | +72.3 | |
| Adjusted profit | 100.1 | 86.6 | -13.4 | |

(Reference)
Adjusted
profit

* Special factors are gains /losses related to stock future and one-time factors related to reorganization

Net Premiums Written

◆ Net premiums written kept increasing, centered on fire and allied lines and other lines.

Net premiums written by product line

| (Billions of yen) | 3Q FY2016 | 3Q FY2017 | Change | | FY2017 (forecasts) |
|---|----------------|----------------|--------------|----------------|-----------------------|
| Fire and Allied Lines | 204.5 | 208.6 | +4.1 | (+2.0%) | 281.5 |
| Marine | 32.7 | 35.9 | +3.2 | (+9.8%) | 44.8 |
| Personal Accident | 139.5 | 139.0 | -0.4 | (-0.4%) | 176.4 |
| Voluntary Automobile | 805.7 | 806.6 | +0.8 | (+0.1%) | 1,084.4 |
| CALI | 219.2 | 223.3 | +4.0 | (+1.8%) | 290.5 |
| Other | 217.0 | 222.6 | +5.6 | (+2.6%) | 296.0 |
| of which, Liability | 120.6 | 123.9 | +3.3 | (+2.8%) | 158.4 |
| Total | 1,618.8 | 1,636.1 | +17.3 | (+1.1%) | 2,174.0 |
| Total (excl. CALI, household earthquake) | 1,398.8 | 1,412.3 | +13.5 | (+1.0%) | 1,882.7 |

(Main changing factors)

Fire and Allied Lines: Mainly due to an increase in the number of policies by product revisions.
(Combination discounts for house and household assets, etc.)

Marine: The number of policies increased mainly due to an increase in trade volume and the acquisition of major policies.

Voluntary Automobile: Mainly due to the increase in the number of vehicles by product revisions.
(Expanded discounts for multiple vehicles, etc.)

Other: Maintained strong sales of packaged products to small and medium-sized enterprises.

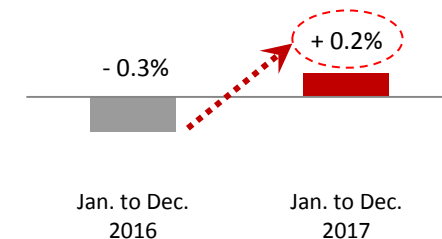
(Reference) Year-on-Year comparison of voluntary automobile insurance (April - December 2017)

| | # of vehicles | Unit premium | Total Premium |
|--------------|---------------|--------------|---------------|
| Non-fleet | -0.0% | -0.5% | -0.5% |
| Fleet | +2.2% | +0.9% | +3.1% |
| Total | +0.4% | -0.3% | +0.1% |

(Performance evaluation basis)

<Trends of the number of non-fleet vehicles>

On increasing trend after product revision in January 2017.



Loss Ratio (W/P)

- ◆ While net loss ratio rose mainly due to natural disasters in Japan, largely in line with the level anticipated in FY2017 business forecasts(61.6%, excl. CALI, household earthquake).
- ◆ E/I loss ratio of mainstay automobile insurance kept improving.

Loss ratio(W/P)

3Q FY2017

| (Billions of yen) | Net claims paid | Change | Loss ratio | Change | | | 3Q FY2017 | |
|--|-----------------|--------|------------|---------|---|-------|----------------|--------|
| Fire and Allied lines | 159.2 | +11.6 | 78.0% | +4.0pt | | | | |
| Marine | 18.0 | -1.6 | 52.9% | -10.5pt | (Reference) E/I Loss ratio | | | |
| Personal Accident | 71.0 | +0.2 | 55.2% | +0.1pt | | | | |
| Voluntary Automobile | 433.3 | +17.6 | 61.4% | +2.2pt | | | E/I loss ratio | change |
| CALI | 163.8 | -7.3 | 79.7% | -5.3pt | Fire and Allied lines (excl. household earthquake) | 66.3% | +8.3pt | |
| Other | 108.3 | +5.9 | 52.0% | +1.4pt | Marine | 65.8% | +10.9pt | |
| of which, Liability | 58.9 | +3.9 | 51.1% | +1.8pt | Personal Accident | 58.2% | +0.2pt | |
| Total | 953.8 | +26.4 | 64.0% | +0.9pt | Voluntary Automobile | 59.9% | -0.4pt | |
| Total (excl. CALI, household earthquake) | 790.0 | +41.1 | 61.6% | +2.3pt | Other | 58.9% | +1.4pt | |
| Total (excl. CALI, household earthquake, domestic natural disasters) | 727.5 | +29.7 | 57.2% | +1.5pt | Total (excl. CALI, household earthquake) | 60.7% | +1.6pt | |

Net loss ratio increased due to a large improvement in the progress rate for claims payments.
Meanwhile, E/I loss ratio improved, reflecting a decrease in the number of accidents.

Net Expense Ratio

◆ Expense ratio was controlled as planned, centered on company expense ratio.

Net expense ratio

| (Billions of yen) | 3Q FY2017 | | | |
|---|--------------|-------------|-------------------|---------------|
| | Amount | Change | Net expense ratio | Change |
| Net commissions and brokerage fees | 295.3 | +6.2 | 18.1% | +0.2pt |
| Operating, general and administrative expenses *1 | 229.5 | +1.6 | 14.0% | -0.0pt |
| Total | 524.9 | +7.9 | 32.1% | +0.1pt |
| Total (excl. CALI, household earthquake) | 476.7 | +5.5 | 33.8% | +0.1pt |
| Total (excl. CALI, household earthquake, upfront investment *2) | 472.9 | +6.3 | 33.5% | +0.1pt |

*1 Only for underwriting (company expense)

*2 The amount of upfront investments for the entire line item was ¥6.4 billion in 3Q FY2017. (FY2017 (forecast) is around ¥10.0 billion.)

Company expense ratio

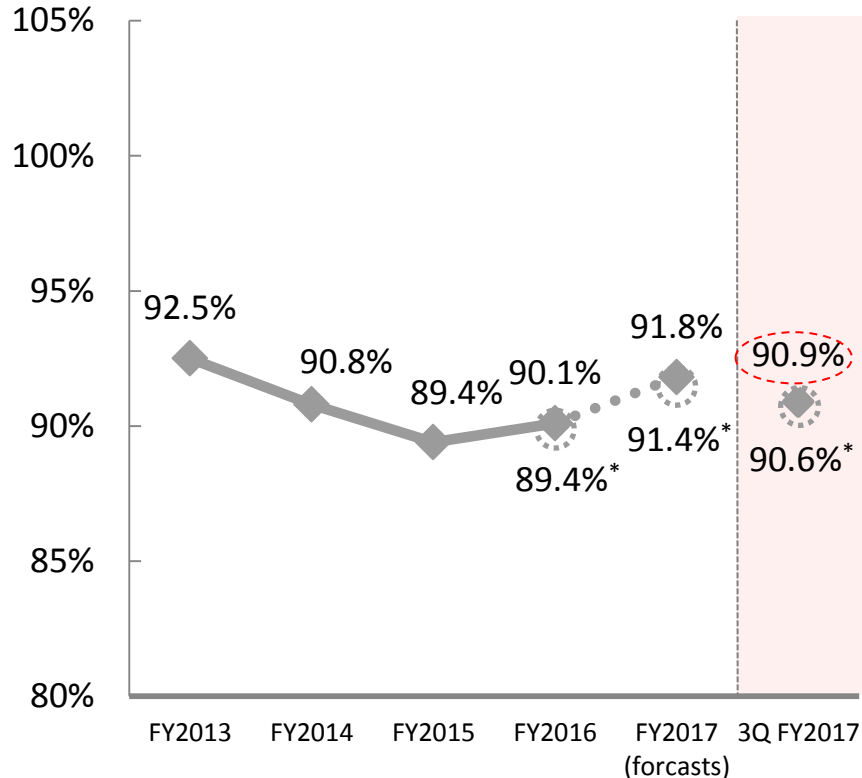
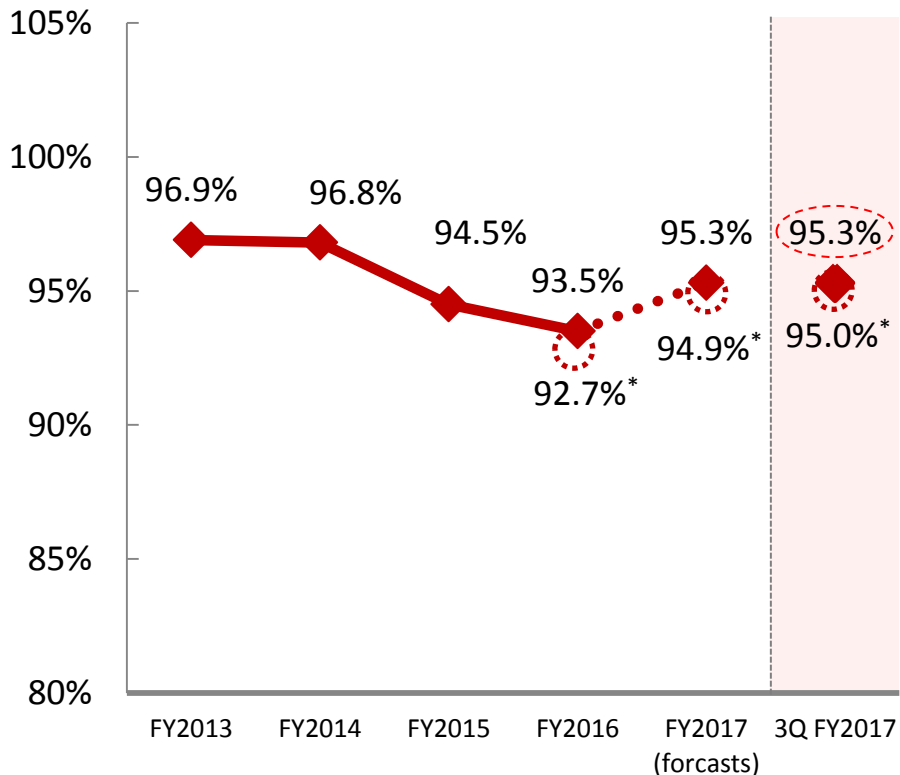
| (Billions of yen) | 3Q FY2017 | | | |
|----------------------------------|--------------|-------------|-----------------------|---------------|
| | Amount | Change | Company expense ratio | Change |
| Personnel expenses | 110.3 | +2.7 | 6.7% | +0.1pt |
| Non-personnel expenses | 109.2 | -0.6 | 6.7% | -0.1pt |
| Tax and contributions | 9.9 | -0.3 | 0.6% | -0.0pt |
| Total | 229.5 | +1.6 | 14.0% | -0.0pt |
| Total (excl. upfront investment) | 225.7 | +2.4 | 13.8% | +0.0pt |

Combined Ratio

◆ The combined ratio in 3Q FY2017 progressed largely in line with the level anticipated in FY2017 business forecasts.

Combined ratio (excl. CALI, household earthquake)

(Reference) excl. CALI, household earthquake, domestic natural disasters



* Excluding upfront investments.

Investment Profit

◆ Investment profit tracked plans mainly due to progress of the reduction of strategic-holding stocks.

Investment profit (Sompo Japan Nipponkoa, non-consolidated)

| (Billions of yen) | | 3Q FY2016 | 3Q FY2017 | Change | FY2017 (forecasts) |
|--|-----------|--------------|--------------|--------|-----------------------|
| Net interest and dividend income | 1 | 48.7 | 48.0 | -0.6 | 59.8 |
| Interest and dividend income* ¹ | | 82.2 | 77.8 | -4.3 | 99.7 |
| of which, dividends from overseas subsidiaries | | 0.0 | 0.0 | +0.0 | 0.0 |
| Gains on sales of securities* ¹ | 2 | 40.5 | 54.2 | +13.6 | 75.0 |
| of which, domestic stocks | | 36.5 | 51.6 | +15.1 | 72.5 |
| Impairment losses on securities* ¹ | 3 | -0.7 | -25.3 | -24.6 | -25.8 |
| of which, domestic stocks | | -0.5 | -12.0 | -11.4 | -12.5 |
| Gains on derivatives | 4 | -16.0 | -12.2 | +3.7 | -7.3 |
| Other investment income | 5 | 6.7 | 6.5 | -0.1 | 7.6 |
| Investment profit | 1+2+3+4+5 | 79.2 | 71.3 | -7.9 | 109.3 |

(Reference)
Reduction of strategic-holding stocks

| | |
|----------------------------|----------------------|
| Actual* ² | ¥75.4 billion |
| Stock future* ³ | ¥22.0 billion |
| Total | ¥97.4 billion |

*² Net reduction on fair value basis.
(market value of sales minus market value of purchase)

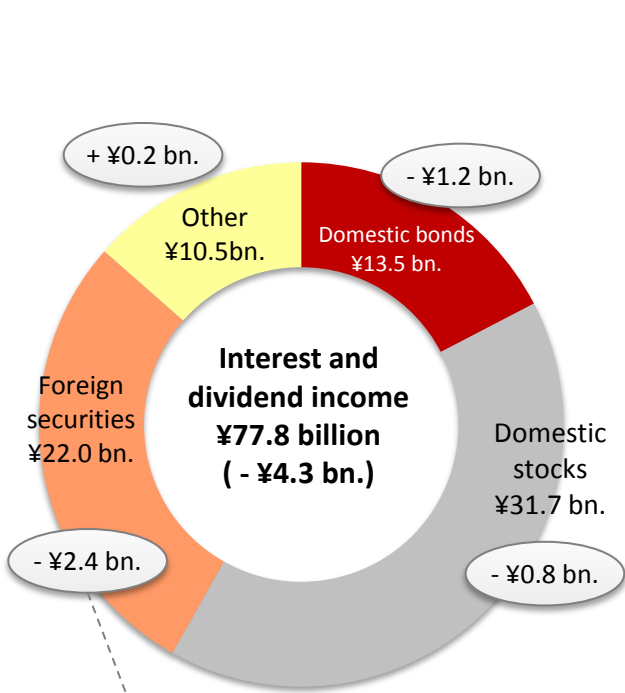
*³ Short position of Nikkei 225 Futures.

*¹ See next page for breakdown

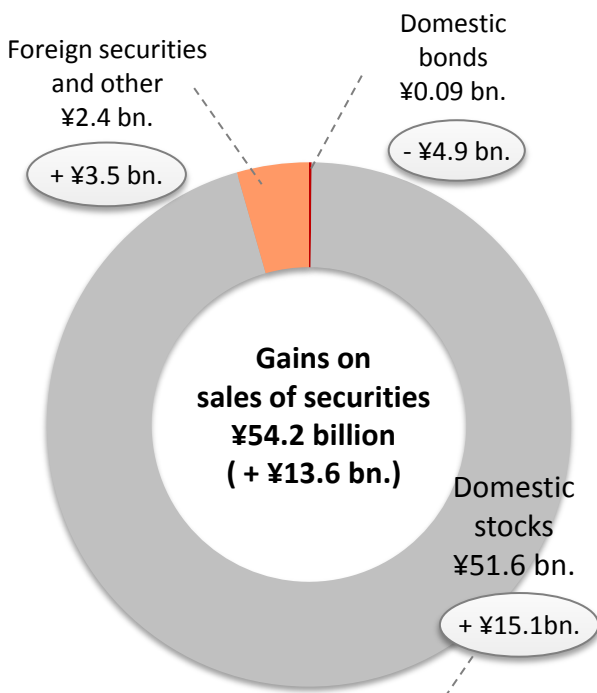
Mainly the loss on valuation of securities related to shares of consolidated subsidiaries.
(Eliminated on a consolidated basis.)

(Reference) Breakdown of Investment Profit

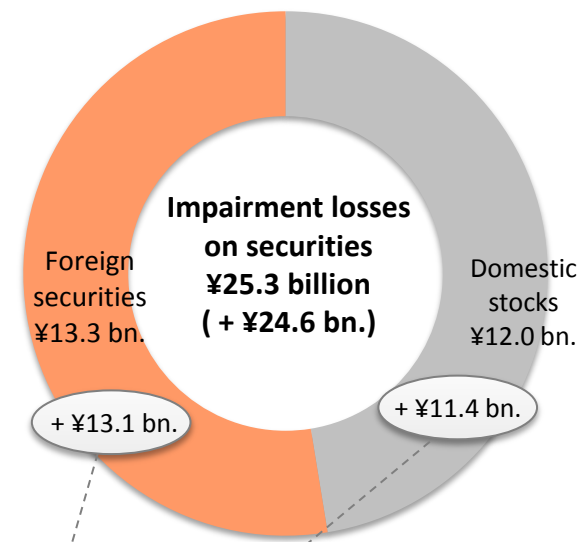
Breakdown of interest and dividend income, gains on sales of securities, and impairment losses on securities (3Q FY2017)



Mainly reflects the rebound from a gain on cancellation of funds recorded in the previous fiscal year.



Progress of selling actual stocks.



The loss on valuation of securities related to shares of consolidated subsidiaries. (Eliminated on a consolidated basis). Both the domestic stock and foreign securities components (impact of the decision to sell Canopus) have already been factored into FY2017 business forecasts.

Changes from 3Q FY2016

(Reference) Business Forecasts for FY2017– Sampo Japan Nipponkoa

| (Billions of yen) | FY2016 (Actual) | FY2017 (forecasts) | Change |
|--|--------------------|-----------------------|------------------------------|
| Net premiums written | 2,165.6 | 2,174.0 | +8.3 (+0.4%) |
| (excl. CALI, household earthquake) | 1,869.5 | 1,882.7 | +13.1 (+0.7%) |
| Net premiums earned (excl. CALI, household earthquake) | 1,883.7 | 1,882.8 | -0.8 (-0.0%) |
| Loss ratio | 63.2% | 64.3% | +1.1pt |
| (excl. CALI, household earthquake) | 59.8% | 61.6% | +1.8pt |
| E/I loss ratio (excl. CALI, household earthquake) | 59.5% | 61.1% | +1.6pt |
| Net expense ratio | 32.0% | 32.1% | +0.1pt |
| (excl. CALI, household earthquake) | 33.7% | 33.7% | +0.0pt |
| Combined ratio | 95.2% | 96.4% | +1.2pt |
| (excl. CALI, household earthquake) | 93.5% | 95.3% | +1.8pt |
| Underwriting profit | 112.4 | 109.0 | -3.4 (-3.1%) |
| Investment profit | 132.3 | 109.3 | -22.9 (-17.4%)* ¹ |
| Ordinary profit | 230.4 | 202.0 | -28.4 (-12.4%) |
| Net income | 164.4 | 185.0 | +20.5 (+12.5%)* ² |
| (Reference) Adjusted profit | | | |
| +Provisions for catastrophic loss reserve (after tax) | 11.4 | -6.8 | -18.2 |
| +Provisions for reserve for price fluctuation (after tax) | 7.5 | 7.3 | -0.1 |
| -Gains/losses on sales of securities and impairment losses on securities (after tax) | 49.8 | 35.3 | -14.5 |
| -Special factors (after tax)* ³ | -5.0 | 45.6 | +50.7 |
| Adjusted profit | 138.5 | 104.5 | -33.9 (-24.5%) |

*1 Mainly due to a decrease in dividends from overseas subsidiaries and loss on valuation of subsidiaries' shares (both eliminated on a consolidated basis).

*2 Includes a decrease in tax expenses in connection with the reorganization of SI (included in adjusted profit for the overseas insurance business).

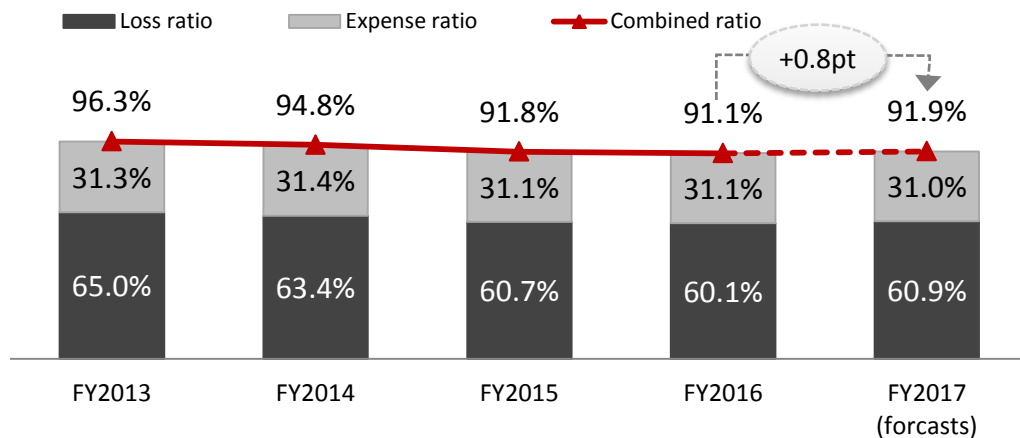
*3 Special factors are gains /losses related to stock future and one-time factors related to reorganization

(Reference) Assumption of Business Forecasts for FY2017

| | |
|---|--|
| Losses from domestic natural disasters (occurring in the fiscal year) | ¥53.0 billion |
| Catastrophic loss reserve | Net reversal : ¥9.5 billion |
| Provision rate of catastrophic loss reserve | Provision rate of fire group : fire 14.0% other 5.0% Provision rate of automobile group : 3.2% |
| Market indicators | (Stock) Nikkei 225 : ¥20,356 (Interest yield) 10y JGB : +0.07% (Foreign exchange) 1US\$: ¥112.73 1Euro : ¥132.85 * Assumptions for market indicators are based on ones as of end of September 2017. |
| Interest and dividend income | Gross : ¥99.7 billion Net : ¥59.8 billion |
| Realized gains on securities | Realized gains on security sales : ¥75.0 billion Impairment losses on securities : ¥25.8 billion |
| Reserve for price fluctuation | Net provision : ¥10.2 billion |

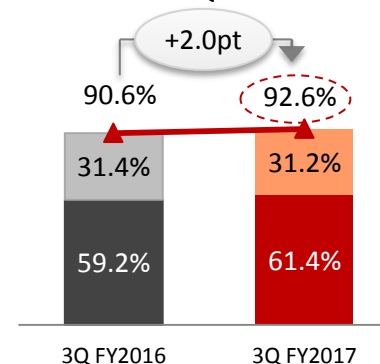
(Reference) Related Indicators of Automobile Insurance

Combined ratio



* Loss ratio is on a written paid basis (including loss adjustment expense).

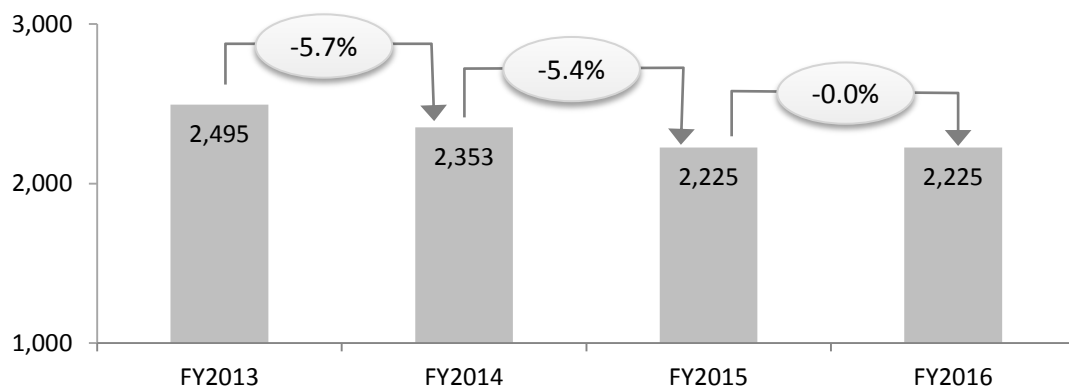
Trend of 3Q Results



* Claims incurred remained flat and E/I loss ratio improved.
 3Q FY2016 : 60.3%
 3Q FY2017 : 59.9%

The number of reported claims

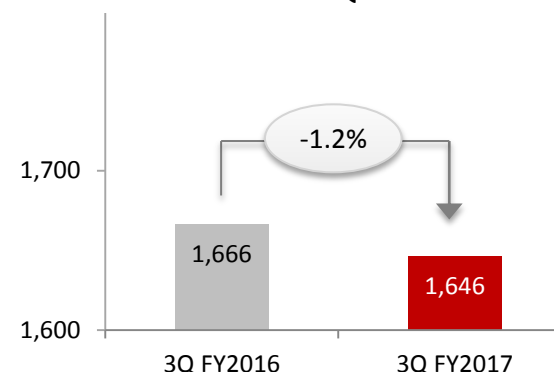
(Thousands)



* Exclude certain natural disasters, whose incurred loss exceeds certain threshold.

(Thousands)

Trend of 3Q Results



(Reference) Domestic Natural Disasters

Net claims paid for natural disasters that occurred in the fiscal year (excluding CALI, household earthquake)*¹

| (Billions of yen) | 3Q FY2016 | 3Q FY2017 | Change |
|-----------------------|--------------|--------------------------|-------------|
| Fire and Allied lines | 29.6 | 36.2 | +6.5 |
| Marine | 0.0 | 0.0 | -0.0 |
| Personal Accident | 0.0 | 0.0 | +0.0 |
| Voluntary Automobile | 3.0 | 4.7 | +1.7 |
| Other | 1.5 | 1.4 | -0.0 |
| Total | 34.2 | 42.4*² | +8.2 |

*1 Since outstanding loss reserve is worked out by compendium method in 3Q results, incurred losses related to natural disasters were not aggregated.

*2 Assumption of FY2017 business forecasts Losses from domestic natural disasters (occurring in the fiscal year): ¥53.0 billion

(Reference) Major net claims paid of natural disasters in 3Q FY2017

- Heavy rain in North Kyushu (July 2017): ¥2.8 billion
- Typhoon No.18 (September 2017): ¥7.8 billion
- Typhoon No.21 (October 2017): ¥19.3 billion

(Reference) Fund and Reserve

Underwriting reserves and reserve for outstanding losses and claims (at the end of 3Q FY2017)

| (Billions of yen) | Ordinary underwriting reserve* ¹ | | Catastrophic loss reserve | | Reserve for outstanding losses and claims | |
|---|---|-------------|---------------------------|-------------|---|--------------|
| | Amount | Change | Amount | Change | Amount | Change |
| Fire and allied lines* ² | 734.9 | -12.1 | 156.3 | -18.9 | 108.5 | -16.4 |
| Marine | 17.5 | -1.4 | 50.0 | +1.9 | 29.8 | +3.9 |
| Personal accident | 128.3 | +4.8 | 72.9 | +2.1 | 67.6 | +1.3 |
| Voluntary automobile | 308.0 | -2.6 | 64.6 | -4.2 | 399.4 | -10.6 |
| CALI* ² | 427.1 | +8.0 | - | - | 81.9 | -2.8 |
| Other | 321.5 | +6.5 | 210.6 | +9.5 | 211.0 | +10.2 |
| Total | 1,937.6 | +3.2 | 554.6 | -9.5 | 898.3 | -14.3 |
| Total (excluding CALI and household earthquake) | 1,501.3 | -5.3 | 554.6 | -9.5 | 816.4 | -11.5 |
| | Amount | Change | | | | |
| Reserve for saving-type products* ³ | 1,393.1 | -56.3 | | | | |

*1 Include reserves for maturity refund of non-saving-type insurance.

*2 Underwriting reserves of earthquake insurance and CALI are included in ordinary underwriting reserves.

*3 Deposit of premiums by policyholders and its investment profit cumulated as total of reserves for maturity refund and reserves for policyholders' dividends.

1. Trend of business results

2. Domestic P&C insurance

3. Domestic life insurance

4. Nursing care & healthcare, etc.

5. Overseas insurance

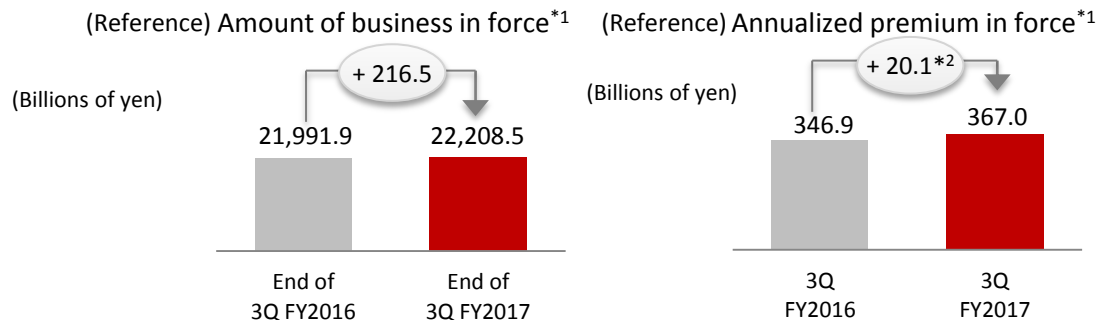
6. ERM & asset management

Overview of 3Q FY2017 Results – Himawari Life

◆ Policies in force kept growing. The bottom-line steadily progressed against FY2017 forecasts.

Major indicators

| (Billions of yen) | 3Q FY2016 | 3Q FY2017 | Change | FY2017(Forecasts) |
|---------------------------|-----------|-----------|---------------|-------------------|
| Annualized new premium | 32.9 | 26.5 | -6.3 (-19.4%) | 40.0 |
| Premium and other income | 304.6 | 319.6 | +15.0 (+4.9%) | 439.3 |
| Expense | 73.8 | 68.7 | -5.1 (-6.9%) | 103.4 |
| Investment profit | 33.9 | 35.0 | +1.0 (+3.2%) | 44.0 |
| of which, general account | 32.0 | 32.5 | +0.4 (+1.4%) | 44.0 |
| Basic profit | 15.2 | 16.1 | +0.9 (+6.0%) | 13.6 |
| Ordinary profit | 15.7 | 15.4 | -0.3 (-2.1%) | 13.9 |
| Net income | 8.1 | 7.8 | -0.2 (-3.6%) | 6.0 |
| Adjusted profit | 22.2 | 22.6 | +0.4 (+1.9%) | 28.0 |



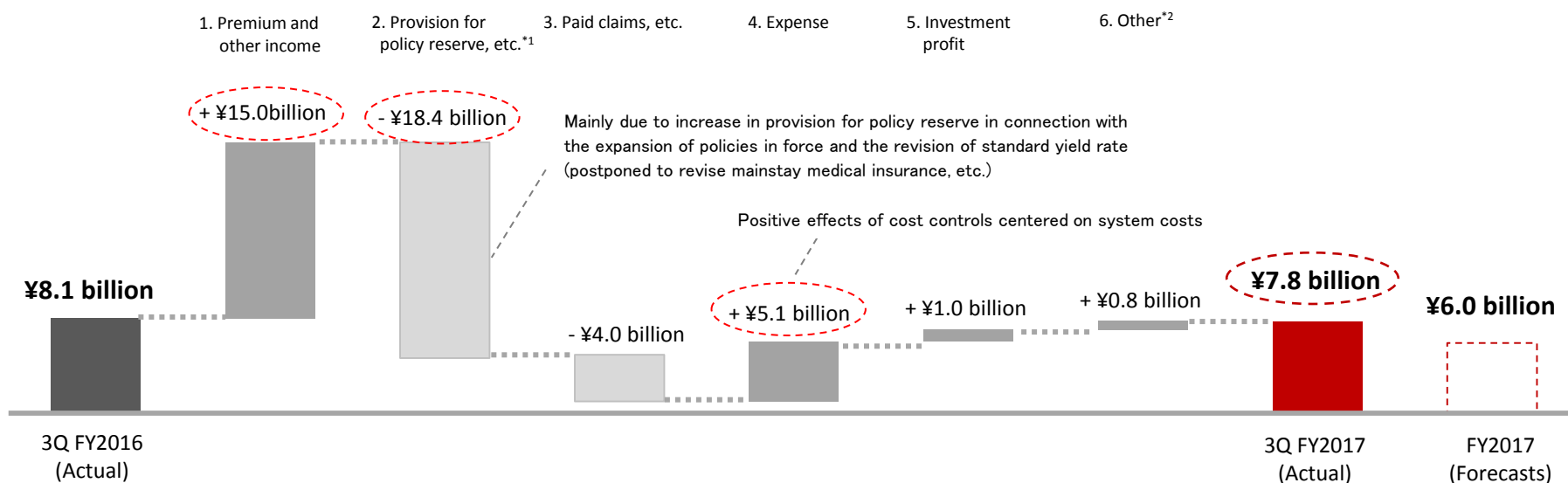
*1 The sum of individual insurance and individual annuities.

*2 Of which protection-type + ¥7.1 bn.

Net Income – J-GAAP

- ◆ Progressed above the level anticipated in FY2017 business forecasts, partly due to an increase in policies in force, despite an increase in provision for policy reserve.

Changing factors of net income



| | 1. Premium and other income | 2. Provision for policy reserve, etc. | 3. Paid claims, etc. | 4. Expense | 5. Investment profit | 6. Other | Net income |
|-------------------------|-----------------------------|---------------------------------------|------------------------|------------------------|----------------------|-----------------------|---------------------|
| 3Q FY2016 Actual | ¥304.6 billion | - ¥201.6 billion | - ¥45.2 billion | - ¥73.8 billion | ¥33.9 billion | - ¥9.5 billion | ¥8.1 billion |
| 3Q FY2017 Actual | ¥319.6 billion | - ¥220.0 billion | - ¥49.2 billion | - ¥68.7 billion | ¥35.0 billion | - ¥8.6 billion | ¥7.8 billion |
| FY2017 Forecasts | ¥439.3 billion | - ¥303.2 billion | - ¥64.5 billion | - ¥103.4 billion | ¥44.0 billion | - ¥6.0 billion | ¥6.0 billion |

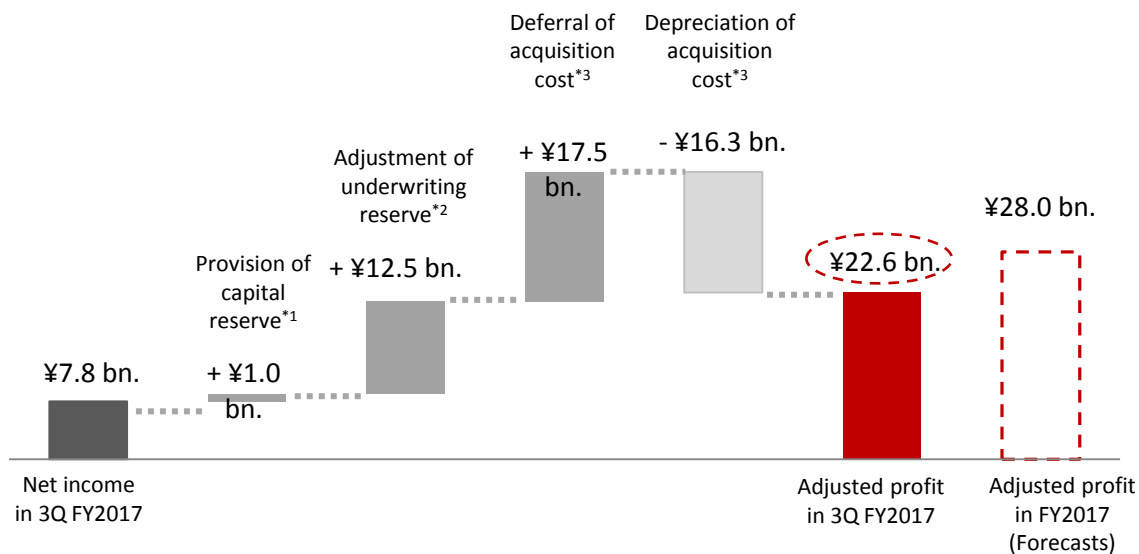
*1 Include the impact of cancellation refund

*2 The sum of other ordinary expense, special gains and losses, provision for reserve of policy holder dividend, corporate tax, etc.

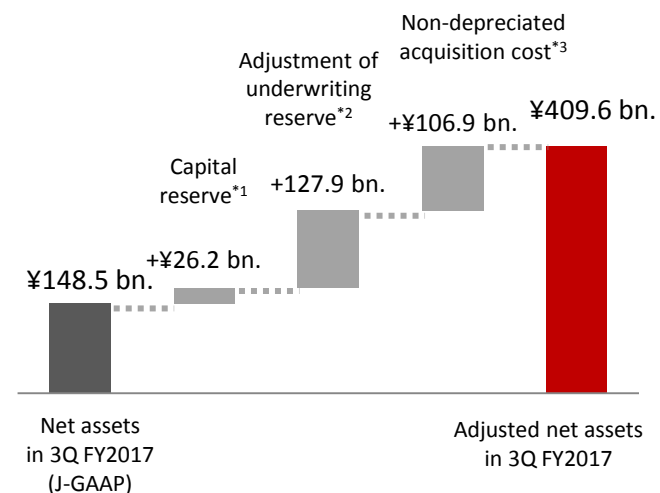
Adjusted Profit and Adjusted Net Assets – Himawari Life

◆ Adjusted profit (3Q FY2017: ¥22.6 billion) progressed 81% against FY2017 forecasts (¥28.0 billion).

Conversion from net income to adjusted profit



(Reference) Adjusted net assets



*1 Contingency reserve and reserve for price fluctuation (after tax).

*2 Re-calculate underwriting reserve, which is calculated conservatively, with factors used for calculation of premiums (after tax).

*3 Acquisition cost, such as commissions for new contracts, depreciated over 10 years (after tax).

1. Trend of business results

2. Domestic P&C insurance

3. Domestic life insurance

4. Nursing care & healthcare, etc.

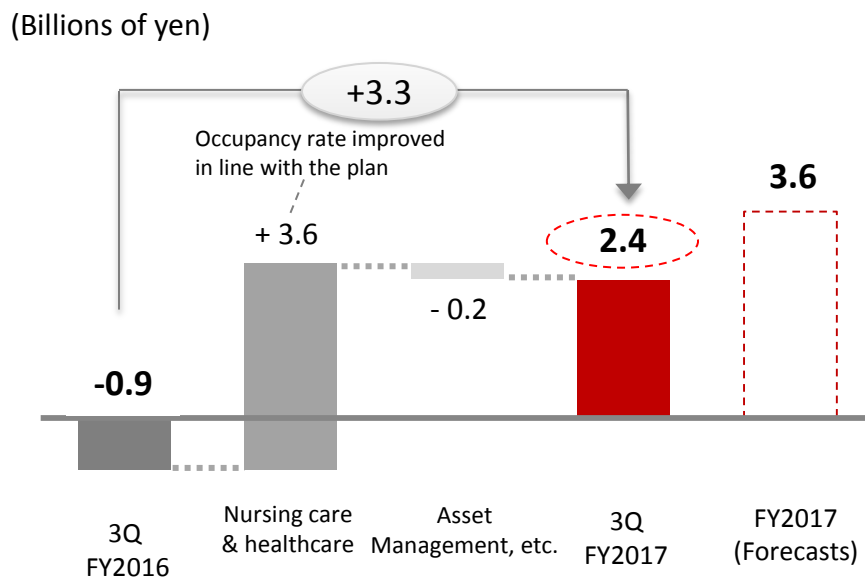
5. Overseas insurance

6. ERM & asset management

Overview of 3Q FY2017 Results – Nursing Care & Healthcare, etc.

◆ Occupancy rate improved steadily, net income in nursing care & healthcare, etc. increased ¥3.3 billion to ¥2.4 billion.

Changing factors of net income



* Nursing care & healthcare business is the sum of SOMPO Care Message, SOMPO Care Next and Cedar (non-consolidated) (from FY2017).

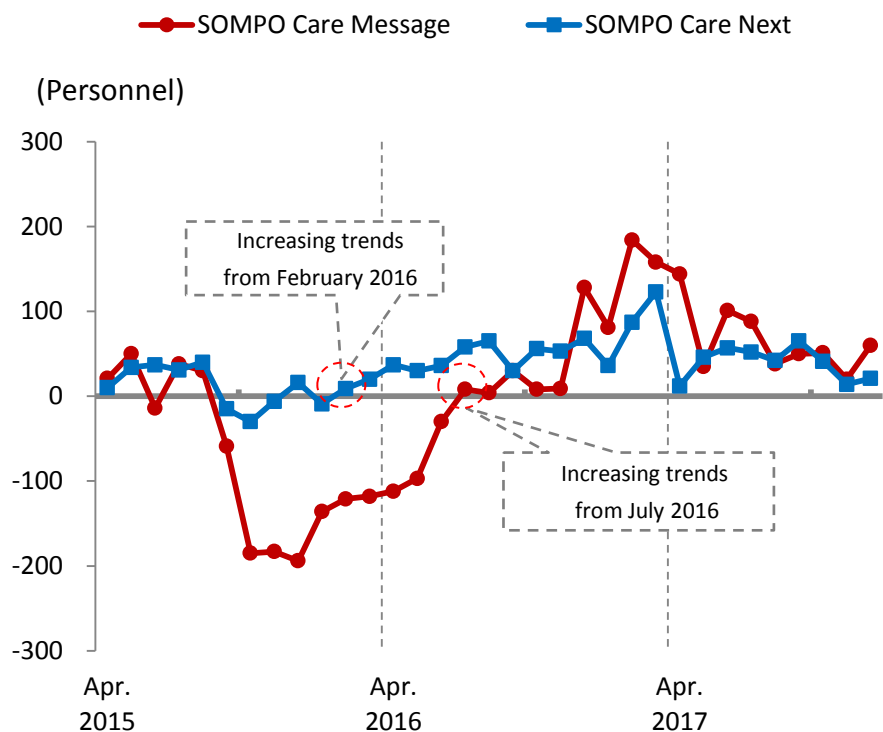
Main indicator of nursing care business

| (Billions of yen) | 3Q FY2017 | Change | FY2017 (Forecasts) |
|------------------------------|-----------|--------|--------------------|
| Sales | 89.5 | +6.6 | 119.8 |
| (SOMPO Care Message) | 58.6 | +3.5 | 79.3 |
| (SOMPO Care Next) | 30.9 | +3.0 | 40.5 |
| Net income | 1.4 | +3.7 | 2.0 |
| (SOMPO Care Message) | 0.7 | +2.4 | 1.8 |
| (SOMPO Care Next) | 0.6 | +1.3 | 0.2 |
| Occupancy rate (SOMPO-no-le) | 89.9% | +5.2pt | 91.4% |
| (SOMPO-no-le S) | 88.2% | +6.5pt | 89.0% |
| (La vie Re) | 83.8% | +6.5pt | 84.0% |

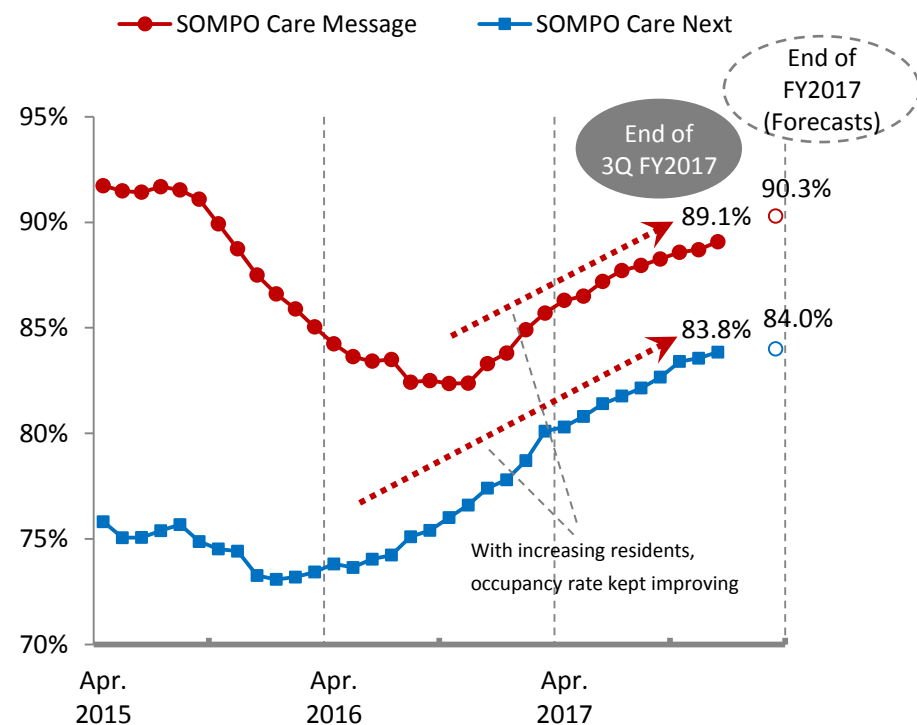
* SOMPO-no-le, SOMPO-no-le S, and La vie Re are brands of SOMPO Care Message's nursing homes, SOMPO Care Message's serviced residential complexes for elderly, and SOMPO Care Next's nursing facilities respectively.

Residents and Occupancy Rate of Nursing Care Business

Inflow of residents*1



Occupancy rate*2



*1 Inflow of residents = the number of new residents – the number of departing residents

*2 Occupancy rate = the number of residents / capacity of facilities

1. Trend of business results

2. Domestic P&C insurance

3. Domestic life insurance

4. Nursing care & healthcare, etc.

5. Overseas insurance

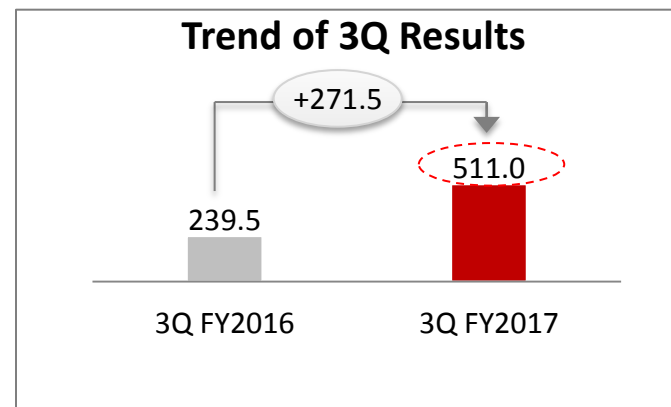
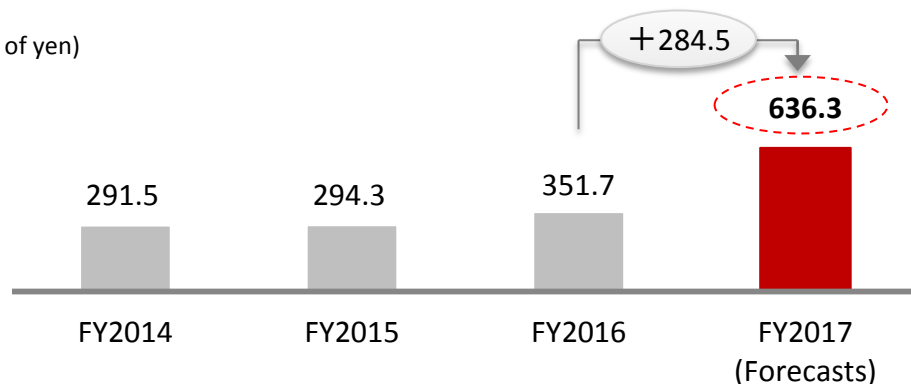
6. ERM & asset management

Overview of 3Q FY2017 Results – Overseas Insurance

◆ Both top-line and bottom-line expanded with the effect of the consolidation of P/L of SI.

Net premiums written

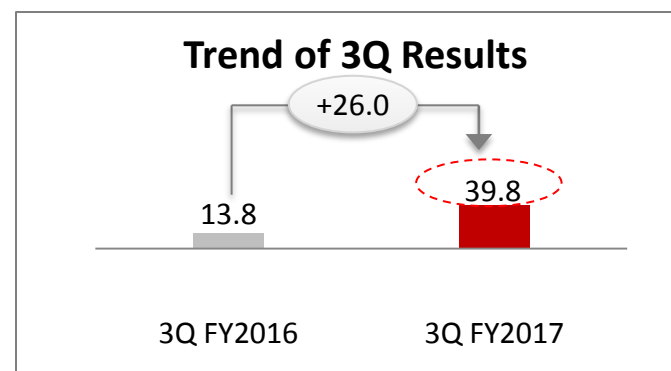
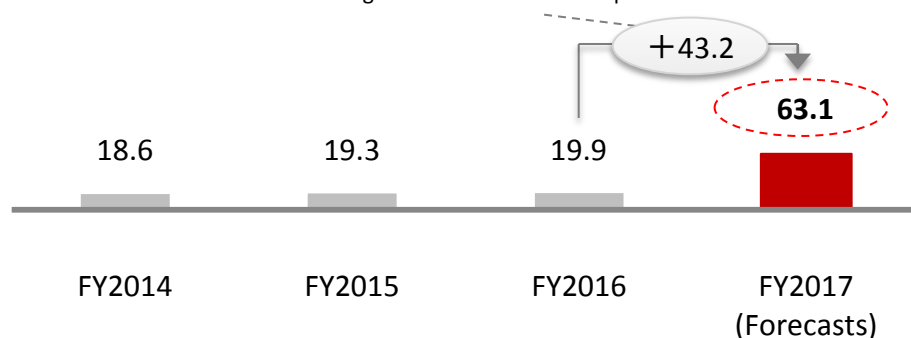
(Billions of yen)



Adjusted profit

(Billions of yen)

While the impact of hurricanes in North America, a decrease in tax expenses in connection with the reorganization of SI delivered positive effects.



* Net premiums written of subsidiaries and affiliates reflect holding shares of each company. This treatment does not coincide with financial statements.

Adjusted profits have been adjusted to reflect shareholdings and other factors.

From FY2016, figures include Sompo Indonesia, Sompo Thailand, PGA Sompo (Philippines), United Insurance (Vietnam), and Sompo Mexico (The same shall apply hereafter).

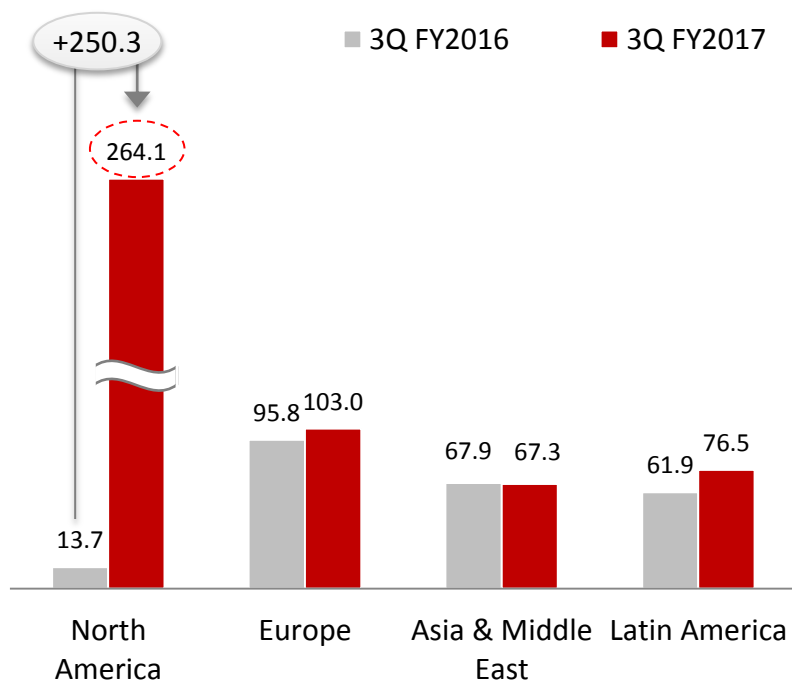
Business Results by Region

- ◆ North America largely expanded due to the effect of the consolidation of the profit of SI and a decrease in tax expenses in connection with the reorganization, etc.

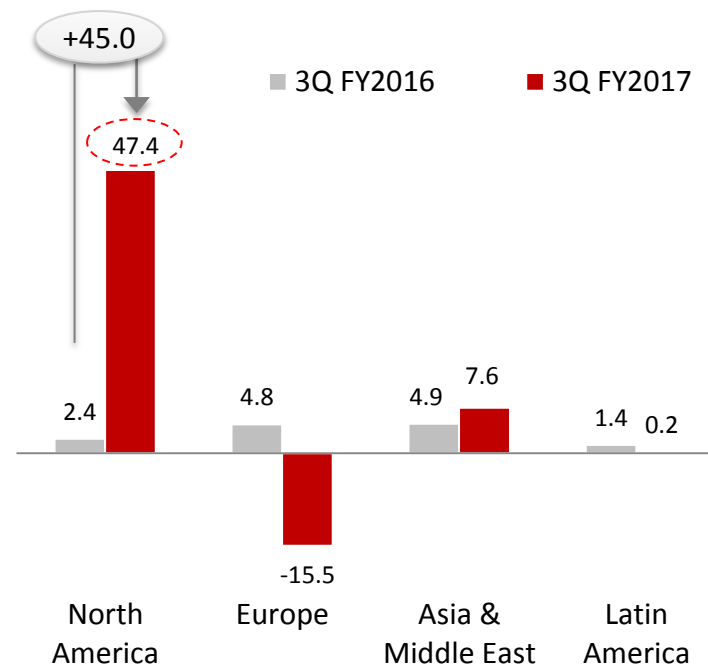
Net premiums written (by region)

Adjusted profit (by region)

(Billions of yen)



(Billions of yen)



(Reference) Business Results by Company

| (Billions of yen) | | Net premiums written (FY2017) | | | Adjusted profit (FY2017) | | | Key points | (Reference) Exchange rate | |
|--|--------------------------|-------------------------------|--------|-----------|--------------------------|--------|-----------|--|---------------------------|----------|
| | | 3Q Actual | Change | forecasts | 3Q Actual | Change | forecasts | | Sep. 2017 | |
| | | | | | | | | | (YoY Change) | |
| North America | Sompo America | 16.2 | +2.4 | 21.9 | 1.9 | -0.5 | 1.9 | Basically in line with the plan. | 112.73 JPY/USD | (+11.5%) |
| | SI (Endurance) | 247.8 | +247.8 | 302.0 | 45.4 | +45.4 | 60.4 | While the effects of hurricanes in North America ^{*1} , a decrease in tax expenses in connection with reorganization materialized. | 112.73 JPY/USD | (+11.5%) |
| Europe | SJNK Europe | 0.9 | +0.3 | 1.1 | 0.4 | -0.1 | 0.2 | Basically in line with the plan. | 151.37 JPY/GBP | (+15.5%) |
| | Sompo Canopus | 102.0 | +6.8 | 112.0 | -15.9 | -20.2 | -9.6 | The impact of hurricanes in North America ^{*1} and wild fires in California. | 112.73 JPY/USD | (+11.5%) |
| Asia & Middle East | SJ Sigorta (Turkey) | 35.9 | -7.1 | 45.8 | 6.0 | +3.5 | 7.8 | The bottom line progressed above forecast, supported by an improving loss ratio and investment gains in step with growth in investment assets. | 31.73 JPY/TRY | (-5.6%) |
| | Sompo Singapore | 5.1 | +0.9 | 7.4 | 1.2 | +0.0 | 1.0 | The loss ratio trended favorably. | 83.05 JPY/SGD | (+12.2%) |
| | Berjaya Sompo (Malaysia) | 8.4 | +0.8 | 12.9 | 0.6 | -0.2 | 0.6 | Basically in line with the plan. | 26.66 JPY/MYR | (+9.0%) |
| | Sompo Indonesia | 3.6 | +1.5 | 7.4 | 0.0 | -0.3 | -0.1 | Basically in line with the plan. | 0.0084 JPY/IDR | (+7.7%) |
| | Sompo China NK China | 3.8 | +0.4 | 5.5 | -0.2 | -0.0 | -0.7 | While the impact of Typhoon No.13, basically in line with the plan. | 16.96 JPY/RMB | (+12.0%) |
| | Sompo Hong Kong | 2.6 | +0.1 | 3.6 | 0.3 | +0.1 | 0.4 | Basically in line with the plan. | 14.43 JPY/HKD | (+10.7%) |
| | Universal Sompo (India) | 3.3 | +1.2 | 3.6 | 0.2 | +0.1 | 0.2 | Basically in line with the plan. | 1.73 JPY/INR | (+13.8%) |
| Latin America | Sompo Seguros (Brazil) | 76.1 | +14.4 | 106.7 | 0.0 | -1.1 | 1.4 | The bottom line is improving, following the execution of measures to improve the loss ratio, including changes in underwriting conditions. | 35.43 JPY/BRL | (+14.2%) |
| Other (non-consolidated) ^{*2} | | 4.5 | -0.7 | 5.7 | -0.4 | -1.0 | -0.5 | - | - | - |
| Total | | 511.0 | +271.5 | 636.3 | 39.8 | +26.0 | 63.1 | - | - | - |

*1 The impact of hurricanes in North America (less net loss attributable to non-controlling shareholders, etc.)

net incurred losses: SI ¥43.4 billion, Sompo Canopus ¥24.4 billion, impact on net income: SI - ¥39.9 billion, Sompo Canopus - ¥20.0 billion

*2 Sum of Sompo Thailand, PGA Sompo (Philippines), United Insurance (Vietnam), and Sompo Mexico. 36 Sompo Indonesia was consolidated from FY2017.

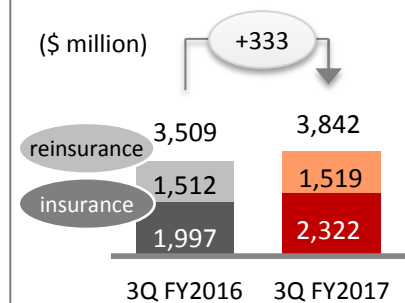
(Reference) Overview of Business Results of SI (Endurance)

| (\$ million) | 3Q FY2016 | 3Q FY2017 | Change | FY2017 (Forecasts) |
|--|--------------|--------------|---------|-----------------------|
| Gross premiums written | | | | |
| Gross premiums written | 3,509 | 3,842 | +333 | 4,711 |
| Net premiums written | 2,005 | 2,198 | +192 | 2,679 |
| Net premiums earned | 1,762 | 1,854 | +91 | 2,480 |
| Net losses and loss expenses | 950 | 1,628 | +677 | 1,938 |
| Expense | 567 | 605 | +37 | 819 |
| Loss ratio | 53.9% | 87.8% | +33.9pt | 78.2% |
| Expense ratio | 32.2% | 32.7% | +0.5pt | 33.0% |
| Combined ratio | 86.1% | 120.5% | +34.4pt | 111.2% |
| Underwriting income | 242 | -438 | -680 | -334 |
| Net investment income | 117 | 160 | +43 | 213 |
| Net income (After Preferred dividend) | 313 | -256 | -569 | -166 |
| +) Net foreign exchange gains | -63 | 10 | +71 | - |
| +) Net realized and unrealized gains | -33 | -15 | +18 | 14 |
| +) Net impairment losses | 10 | 1 | -8 | - |
| +) Income tax expense | 14 | -6 | -20 | - |
| +) One-time merger cost | - | 57 | +57 | 57 |
| Operating Income | 242 | -207 | -449 | -94 |
| +) a decrease in tax expenses in connection with reorganization, etc. | - | 643 | +643 | 630 |
| Adjusted profit | 242 | 435 | +193 | 536 |

Gross premiums written

Steadily expanding mainly in insurance business

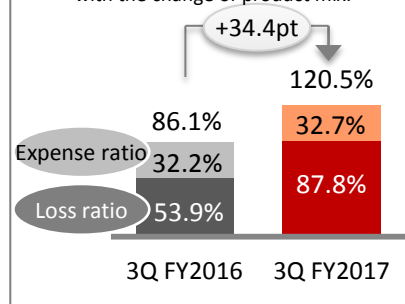
(\$ million)



| Category | 3Q FY2016 | 3Q FY2017 |
|--------------|--------------|--------------|
| Reinsurance | 1,512 | 1,519 |
| Insurance | 1,997 | 2,322 |
| Total | 3,509 | 3,842 |

Combined ratio

Mainly due to the impact of a rising loss ratio by hurricanes in North America and higher commission outlays in line with the change of product mix.



| Category | 3Q FY2016 | 3Q FY2017 |
|---------------|--------------|---------------|
| Expense ratio | 32.2% | 32.7% |
| Loss ratio | 53.9% | 87.8% |
| Total | 86.1% | 120.5% |

Higher commission outlays in line with the change of product mix.

Impact of hurricane in North America.
Loss ratio: +26.0%
Underwriting profit: -469

*One-time merger cost is excluded as a special factor in expense, expense ratio, and combined ratio.

*The denominator of loss ratio and combined ratio is net premium earned.

(Reference) Timing of recognizing net premiums earned in crop insurance (Seasonality)

1Q:10-15% 2Q: 25-30% 3Q:30-35% 4Q:25-30%

1. Trend of business results

2. Domestic P&C insurance

3. Domestic life insurance

4. Nursing care & healthcare, etc.

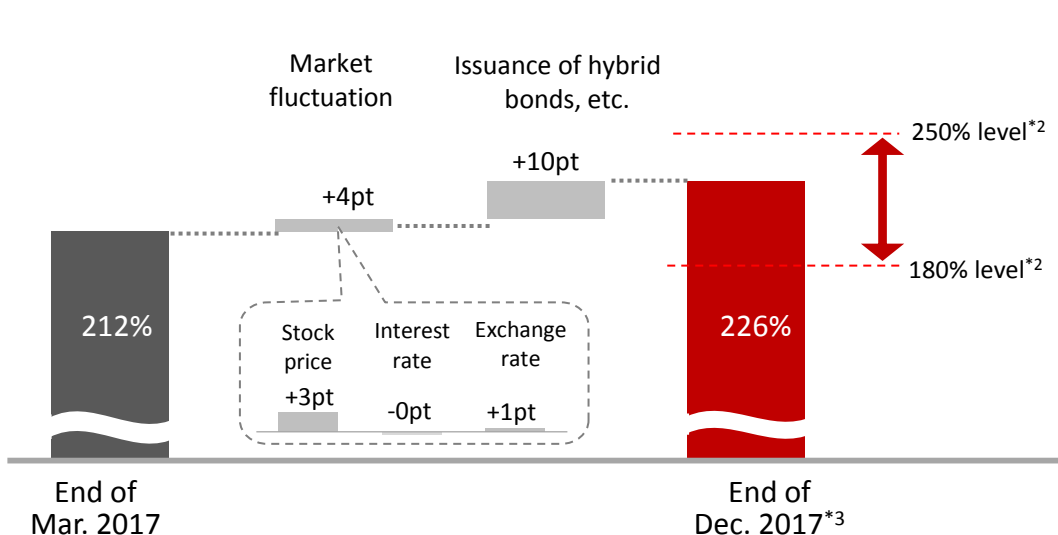
5. Overseas insurance

6. ERM & asset management

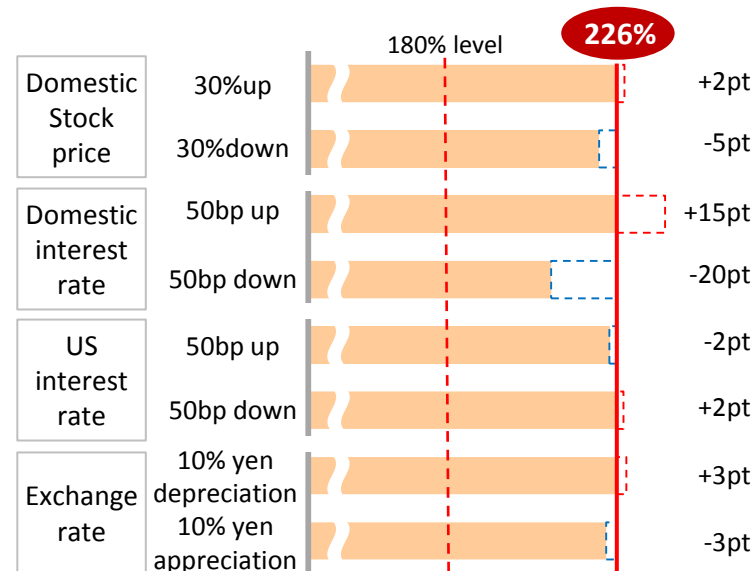
Financial Soundness – ESR (99.5%VaR)

◆ Consistently maintained a robust financial base, based on steady execution of the Mid-Term Management Plan.

Trend of ESR (99.5%VaR)*1



Sensitivity of ESR (99.5%VaR)



*1 In accordance with Solvency II

*2 Target range is around 180% to 250% (99.5%VaR).

250% level: The level set based on capital efficiency (ROE).

180% level: The level leading to stable financial soundness, based on the result of stress test, etc.

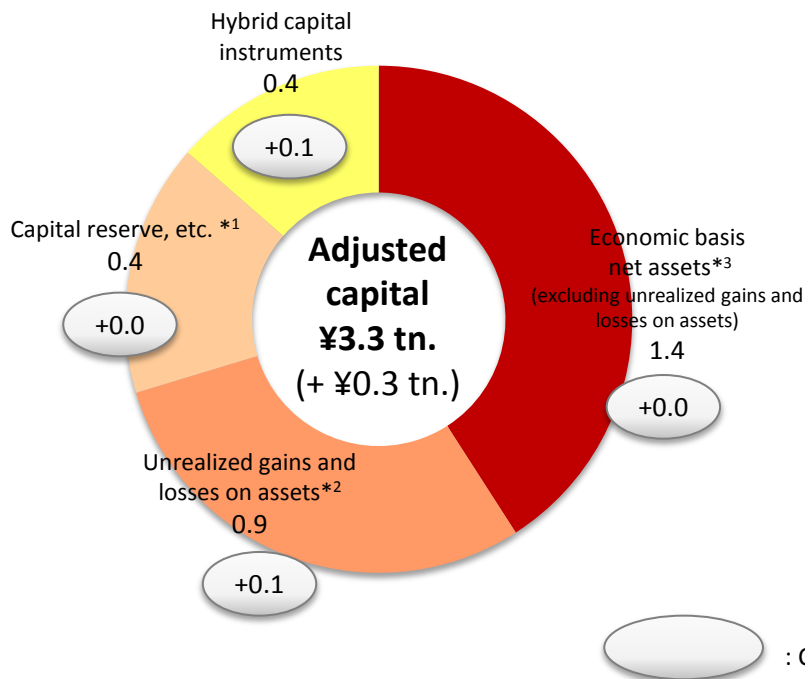
*3 (Reference) ESR (99.95%VaR) at the end of December 2017: 158%
(Target range under this standard was around 120% to 170%)

| (Reference) Market indicators | End of Mar. 2017 | End of Dec. 2017 | |
|-----------------------------------|------------------|------------------|----------|
| Domestic stock price (Nikkei 225) | ¥18,909 | ¥22,765 | (+20.4%) |
| Domestic interest rate (30y JGB) | 0.85% | 0.81% | (-4bp) |
| US interest rate | 2.39% | 2.41% | (+2bp) |
| Exchange rate (JPY/USD) | ¥112.19/USD | ¥113.00/USD | (+0.7%) |
| Exchange rate (JPY/EUR) | ¥119.79/EUR | ¥134.94/EUR | (+12.6%) |

(Reference) Breakdown of Adjusted Capital and Risk (99.5% VaR)

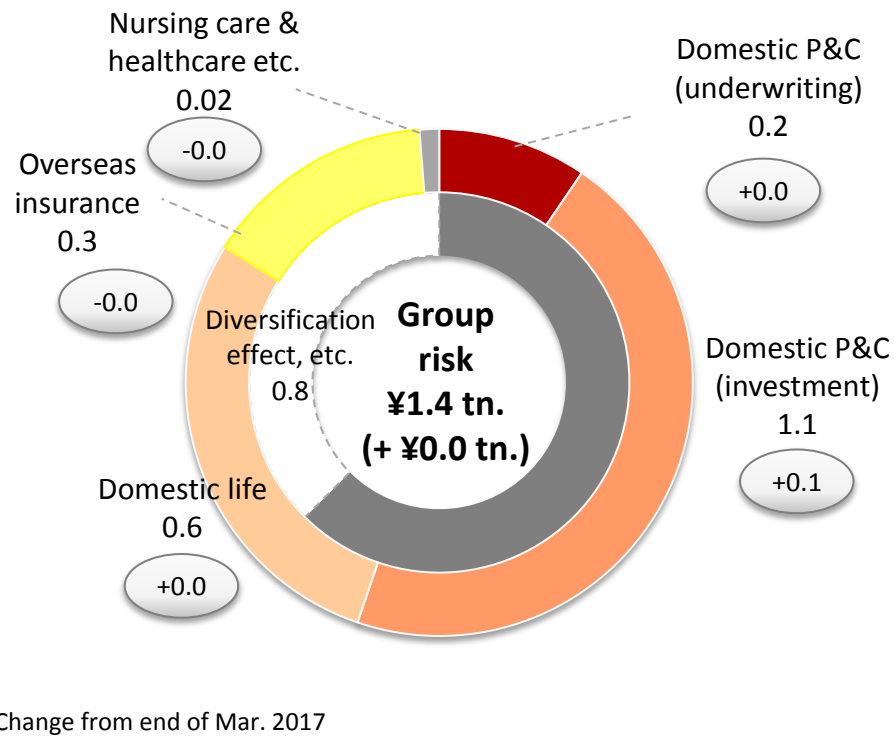
Adjusted capital (Trillions of yen)

(End of Dec 2017)



Risk amount*⁴ (Trillions of yen)

(End of Dec 2017)



: Change from end of Mar. 2017

*1 Reserve for price fluctuation and catastrophic loss reserve, etc. (after tax)

*2 Unrealized gains and losses on securities, etc., including non mark-to-market assets (e.g. policy reserve matching bonds)

*3 Total of net assets on non-consolidated balance sheets, and value in force of P&C and life insurance business.

*4 Risk : 1 year holding period, 99.5% VaR

• Risk amount of each business:

Before reflecting risk diversification effect among businesses and before-tax basis.

• Group total risk:

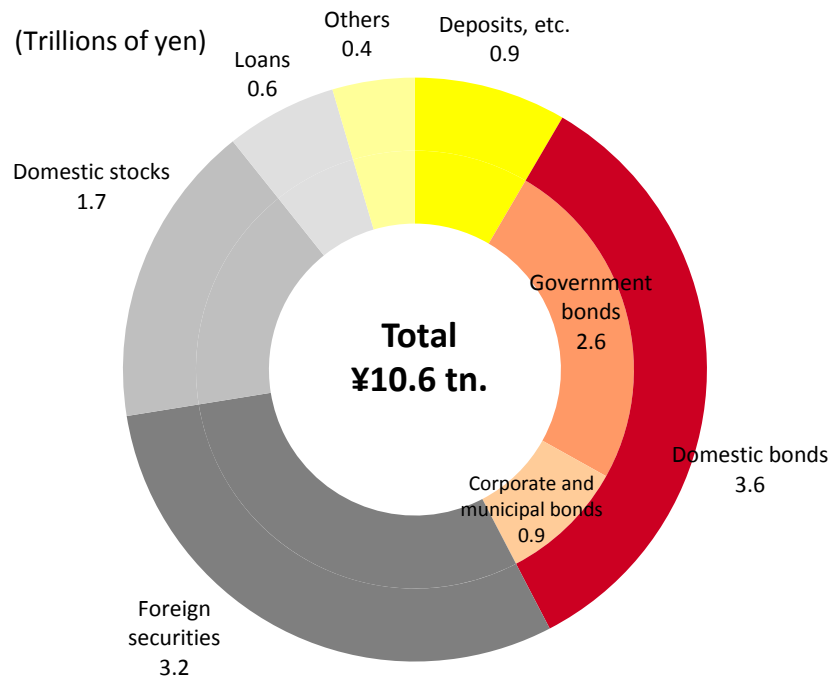
Sum of risk amount of each business less risk diversification effect among businesses and tax impact.

(Reference) Formula for adjusted capital: Adjusted capital = Total of net assets on the non-consolidated balance sheet + value in force – goodwill, etc. + unrealized gains and losses on non mark-to-market assets + capital reserve, etc. + hybrid capital instruments

Asset Portfolio – Group-wide

- ◆ Built a stable portfolio centered on bonds, considering liability, liquidity and other characteristics.

Amount of investment assets (Group consolidated base, as of end of December 2017)



Investment assets by company

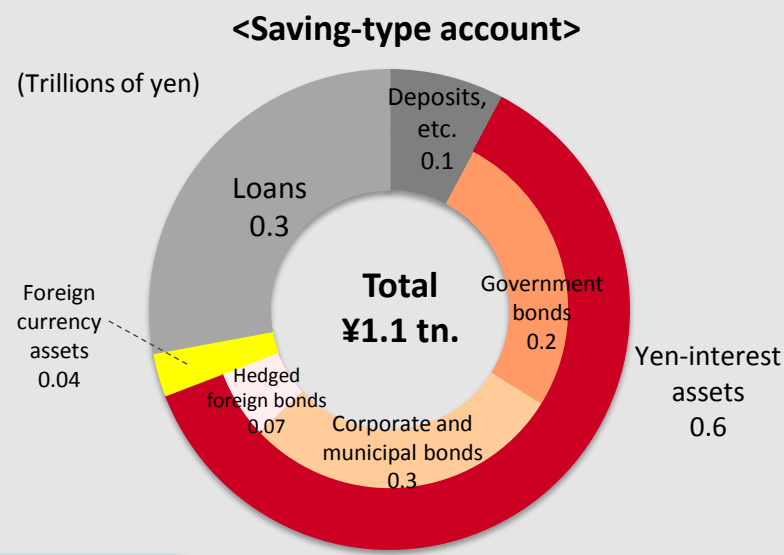
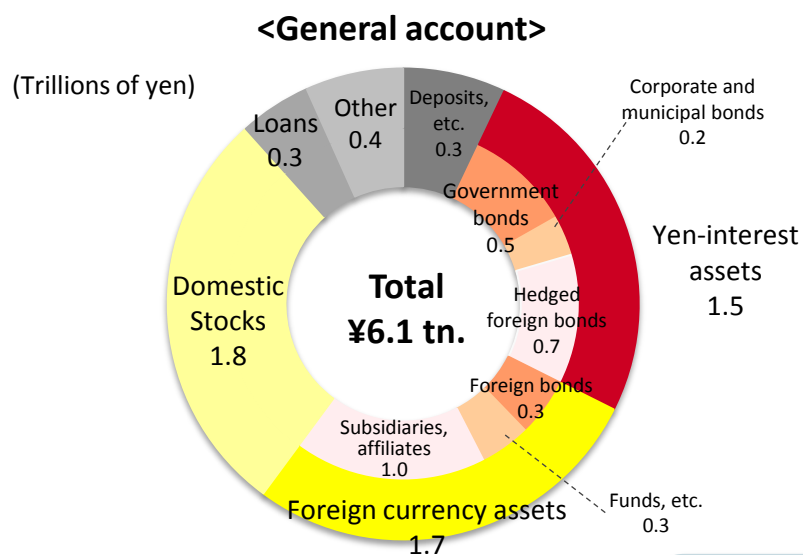
| (Billions of yen) | Amount of investment assets | Composition |
|-----------------------------|-----------------------------|---------------|
| Sompo Japan Nipponkoa | 6,147.5 | 57.6% |
| Himawari Life | 2,697.6 | 25.3% |
| Overseas group subsidiaries | 1,703.0 | 16.0% |
| (Of which, SI (Endurance)) | (1,005.7) | (9.4%) |
| Saison Automobile & Fire | 41.3 | 0.4% |
| Sonpo 24 | 22.2 | 0.2% |
| Other domestic subsidiaries | 62.8 | 0.6% |
| Total | 10,674.6 | 100.0% |

* Others include lands, buildings and stocks of non-consolidated subsidiaries, etc.

Asset Portfolio – Sompo Japan Nipponkoa

- ◆ The general account is managed with diversified investments while the saving-type account utilizes portfolio management based on ALM.
- ◆ While diversifying investment methods, considering the risk-return balance in light of the domestic low interest rate environment, keep focusing on stability of asset management.

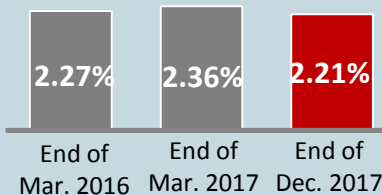
Amount of investment assets (end of December 2017, Sompo Japan Nipponkoa, non-consolidated)



Composition by ratings*1

| Internal rating | Composition |
|-----------------|-------------|
| BBB or above | 100.0% |
| BB or below | 0.0% |

Trend of income yield*2



Composition by ratings*1

| Internal rating | Composition |
|-----------------|-------------|
| BBB or above | 100.0% |
| BB or below | - |

Duration (years)

| | End of Mar. 2017 | End of Dec 2017 |
|-----------|------------------|-----------------|
| Asset | 4.5 | 4.4 |
| Liability | 6.2 | 5.8 |

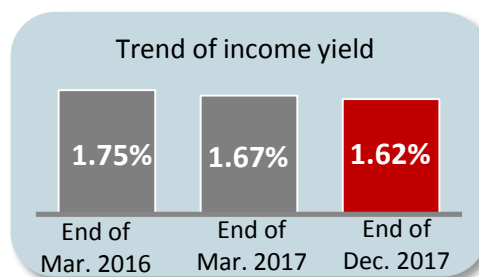
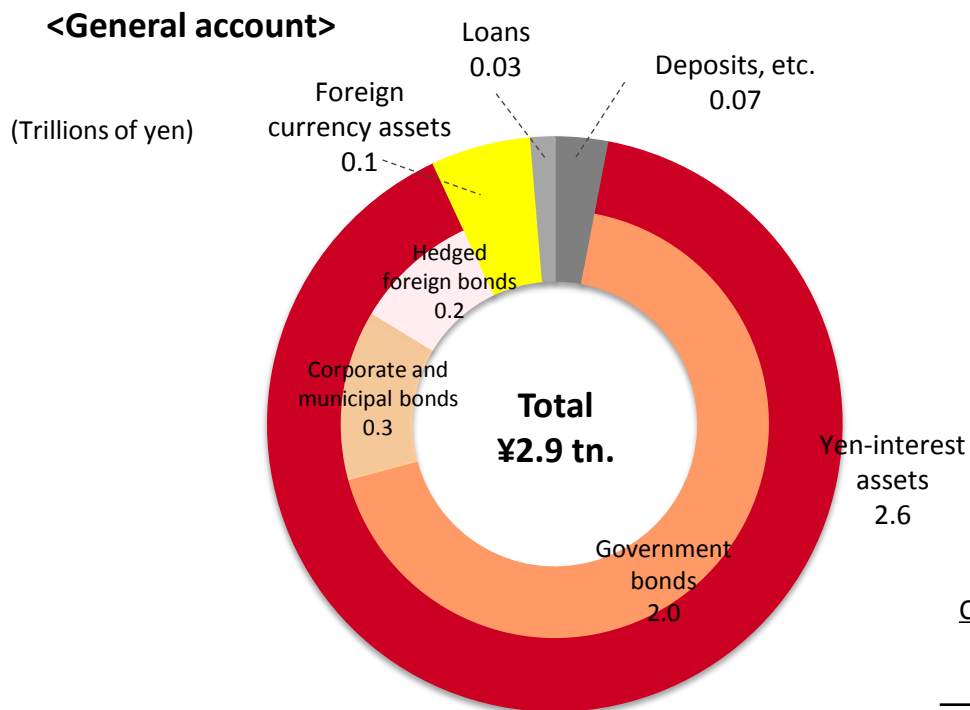
*1 Total of yen-interest assets and foreign currency assets

*2 Excluding overseas subsidiaries' shares, etc.

Asset Portfolio – Himawari Life

- ◆ Manage the portfolio through disciplined ALM, which mainly consists of yen-interest assets.
- ◆ Slightly increased allocation to foreign currency assets, in light of the domestic low interest rate environment.

Amount of investment assets (end of December 2017, Himawari Life, non-consolidated)



Composition by ratings*

| Internal rating | Composition |
|-----------------|-------------|
| BBB or above | 100.0% |
| BB or below | - |

Duration (years)

| | End of Mar. 2017 | End of Dec. 2017 |
|-----------|------------------|------------------|
| Asset | 13 | 13 |
| Liability | 21 | 23 |

(Reference) Amount of separate account (End of Dec. 2017): ¥24.1 billion
(mainly investment in domestic stocks and bonds in the separate account)

* Total of yen-interest assets and foreign currency assets

Note Regarding Forward-looking Statements

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

Contacts



Sompo Holdings, Inc.

Investor Relations Team, Office of Group CEO

Telephone : +81-3-3349-3913

Fax : +81-3-3349-6545

E-Mail : ir@sompo-hd.com

URL : <http://www.sompo-hd.com/en/>