

November 17, 2023

Sompo Holdings, Inc.

Summary of Consolidated Financial Results for the six months ended September 30, 2023 [Under Japanese GAAP]

Company Name: Sompo Holdings, Inc.
Listed on: Tokyo Stock Exchange
Securities Code: 8630
URL: <https://www.sompo-hd.com/en/>
Representative: Kengo Sakurada, Group CEO, Chairman and Representative Executive Officer
Scheduled date to file Quarterly Securities Report: November 28, 2023
Scheduled date to start payment of dividends: December 5, 2023
Supplementary information for quarterly financial statements: Yes
Schedule for quarterly investor meeting: Yes (intended for institutional investors and analysts)

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

1. Consolidated Financial Results for the six months ended September 30, 2023 (April 1 to September 30, 2023)

(1) Consolidated Results of Operations

(Note) Percentages are changes from corresponding period of previous fiscal year.

	Ordinary income		Ordinary profit		Net income attributable to shareholders of the parent	
	millions of yen	%	millions of yen	%	millions of yen	%
Six months ended September 30, 2023	2,659,605	5.3	181,061	—	131,525	—
Six months ended September 30, 2022	2,525,759	—	(88,057)	—	(77,138)	—

Note) Comprehensive income: Six months ended September 30, 2023 553,807 million yen — %
Six months ended September 30, 2022 (66,238) million yen — %

	Net income per share	Diluted net income per share
	yen	yen
Six months ended September 30, 2023	396.78	396.64
Six months ended September 30, 2022	(226.69)	—

Note) Overseas consolidated subsidiaries that have applied the International Financial Reporting Standards (IFRS) have applied IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments" from the beginning of the interim period of the fiscal year ending March 31, 2024. Accordingly, the figures for the six months ended September 30, 2023 have reflected the retrospective application of these accounting standards, etc. In addition, the rate of changes from the corresponding period of the previous fiscal year are not stated.

(2) Consolidated Financial Conditions

	Total assets	Net assets	Equity ratio
	millions of yen	millions of yen	%
As of September 30, 2023	14,236,915	2,406,161	16.8
As of March 31, 2023	13,351,277	1,919,140	14.3

Reference) Equity capital: As of September 30, 2023 2,388,098 million yen
As of March 31, 2023 1,903,047 million yen

Note) Overseas consolidated subsidiaries that have applied the International Financial Reporting Standards (IFRS) have applied IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments" from the beginning of the interim period of the fiscal year ending March 31, 2024. Accordingly, the figures for the fiscal year ended March 31, 2023 have reflected the retrospective application of these accounting standards, etc.

2. Dividends

	Dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Annual
	yen	yen	yen	yen	yen
Fiscal year ended March 31, 2023	—	130.00	—	130.00	260.00
Fiscal year ending March 31, 2024	—	150.00			
Fiscal year ending March 31, 2024 (Forecast)			—	150.00	300.00

Note) Revisions to the latest announced dividends forecasts: None

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

Note) Percentages are changes from previous fiscal year.

	Ordinary profit		Net income attributable to shareholders of the parent		Net income per share
	millions of yen	%	millions of yen	%	yen
Full year	365,000	637.3	264,000	899.5	801.98

Note) Revisions to the latest announced forecasts of financial results: Yes

(Notes)

(1) Changes in significant subsidiaries during the six months ended September 30, 2023 (changes in specified subsidiaries resulting in changes in the scope of consolidation): Yes
Decrease: 1 (Company Name: Sompo Consumer Seguradora S.A.)

(2) Changes in accounting policies, changes in accounting estimations, and retrospective restatements

- (a) Changes in accounting policies due to revisions to accounting standards, etc.: Yes
(b) Changes in accounting policies due to reasons other than the above: None
(c) Changes in accounting estimations: None
(d) Retrospective restatements: None

(3) Number of shares outstanding (Common stock) :

(a) Total shares outstanding including treasury stock:

As of September 30, 2023	347,698,689 shares
As of March 31, 2023	347,698,689 shares

(b) Treasury stock:

As of September 30, 2023	18,515,410 shares
As of March 31, 2023	14,615,082 shares

(c) Average number of shares outstanding:

For the six months ended September 30, 2023	331,479,820 shares
For the six months ended September 30, 2022	340,266,221 shares

(Expression of implementation status of interim audit procedures)

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

(Notes for using forecasts of financial results, etc.)

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

Sompo Holdings, Inc. prepares the interim consolidated financial statements for the six months ended September 30, 2023, since it conducts business defined in the provision of Article 17-15, Paragraph (2) of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc.

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1. Interim Consolidated Financial Statements and Major Notes

(1) Interim Consolidated Balance Sheet

	(Millions of yen)	
	As of March 31, 2023	As of September 30, 2023
Assets:		
Cash and deposits	1,246,638	1,345,386
Receivables under resale agreements	69,999	69,999
Monetary receivables bought	21,915	19,791
Money trusts	21,236	4,867
Securities	9,808,182	10,730,788
Loans	484,145	468,233
Tangible fixed assets	360,882	362,455
Intangible fixed assets	543,122	552,740
Other assets	707,418	638,515
Net defined benefit asset	230	194
Deferred tax assets	90,499	47,069
Allowance for possible credit losses	(2,995)	(3,126)
Total assets	<u>13,351,277</u>	<u>14,236,915</u>
Liabilities:		
Underwriting funds:	9,475,679	9,809,000
Reserve for outstanding losses and claims	2,332,903	2,637,729
Underwriting reserves	7,142,775	7,171,270
Corporate bonds	609,051	684,591
Other liabilities	1,127,008	1,054,185
Net defined benefit liability	59,235	61,810
Reserve for retirement benefits to directors	16	19
Reserve for bonus payments	42,488	36,304
Reserve for bonus payments to directors	487	26
Reserve for stocks payments	2,669	2,676
Reserves under the special laws:	110,858	113,648
Reserve for price fluctuation	110,858	113,648
Deferred tax liabilities	4,642	68,491
Total liabilities	<u>11,432,136</u>	<u>11,830,754</u>
Net assets:		
Shareholders' equity:		
Common stock	100,045	100,045
Capital surplus	134,708	134,678
Retained earnings	961,838	1,050,235
Treasury stock	(82,145)	(106,757)
Total shareholders' equity	<u>1,114,447</u>	<u>1,178,201</u>
Accumulated other comprehensive income:		
Unrealized gains and losses on securities available for sale	708,578	1,020,831
Deferred gains and losses on hedges	2,412	1,844
Foreign currency translation adjustments	57,053	167,218
Remeasurements of defined benefit plans	20,555	20,003
Total accumulated other comprehensive income	<u>788,599</u>	<u>1,209,897</u>
Stock acquisition rights	269	242
Non-controlling interests	15,824	17,819
Total net assets	<u>1,919,140</u>	<u>2,406,161</u>
Total liabilities and net assets	<u>13,351,277</u>	<u>14,236,915</u>

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

	(Millions of yen)	
	Six months ended September 30, 2022 (April 1 to September 30, 2022)	Six months ended September 30, 2023 (April 1 to September 30, 2023)
Ordinary income:	2,525,759	2,659,605
Underwriting income:	2,310,420	2,295,993
Net premiums written	2,103,273	2,088,965
Deposits of premiums by policyholders	35,003	35,305
Interest and dividend income on deposits of premiums, etc.	14,473	14,258
Life insurance premiums written	156,829	155,357
Investment income:	123,404	256,173
Interest and dividend income	89,102	89,493
Investment gains on money trusts	1,766	5,691
Investment gains on trading securities	—	87,190
Gains on sales of securities	28,043	69,579
Transfer of interest and dividend income on deposits of premiums, etc.	(14,473)	(14,258)
Other ordinary income	91,934	107,437
Ordinary expenses:	2,613,816	2,478,543
Underwriting expenses:	2,079,011	2,005,715
Net claims paid	886,672	981,595
Loss adjustment expenses	68,537	71,510
Net commissions and brokerage fees	362,115	379,382
Maturity refunds to policyholders	79,251	69,989
Life insurance claims paid and other payments	58,600	50,939
Provision for reserve for outstanding losses and claims	188,894	150,848
Provision for underwriting reserves	426,645	300,211
Investment expenses:	141,062	56,009
Investment losses on money trusts	2	—
Investment losses on trading securities	98,497	—
Losses on sales of securities	15,031	34,326
Impairment losses on securities	9,055	1,678
Operating, general and administrative expenses	305,187	327,358
Other ordinary expenses:	88,554	89,459
Interest paid	7,948	6,911
Ordinary profit (loss)	(88,057)	181,061
Extraordinary gains:	1,753	424
Gains on disposal of fixed assets	1,753	264
Gains on negative goodwill	—	159
Extraordinary losses:	3,266	3,087
Losses on disposal of fixed assets	555	296
Provision for reserves under the special laws:	2,621	2,790
Provision for reserve for price fluctuation	2,621	2,790
Losses on reduction of real estate	88	—
Net income (loss) before income taxes	(89,569)	178,399
Income taxes	14,862	56,540
Deferred income taxes	(28,136)	(11,138)
Total income taxes	(13,274)	45,401
Net income (loss)	(76,295)	132,997
Net income attributable to non-controlling interests	842	1,471
Net income (loss) attributable to shareholders of the parent	(77,138)	131,525

Interim Consolidated Statement of Comprehensive Income

	(Millions of yen)	
	Six months ended September 30, 2022 (April 1 to September 30, 2022)	Six months ended September 30, 2023 (April 1 to September 30, 2023)
Net income (loss)	(76,295)	132,997
Other comprehensive income:		
Unrealized gains and losses on securities available for sale	(163,846)	312,202
Deferred gains and losses on hedges	(45)	(567)
Foreign currency translation adjustments	173,594	108,856
Remeasurements of defined benefit plans	(307)	(534)
Share of other comprehensive income of affiliates accounted for under the equity method	662	854
Total other comprehensive income	<u>10,057</u>	<u>420,809</u>
Comprehensive income	<u>(66,238)</u>	<u>553,807</u>
(Comprehensive income attributable to)		
Comprehensive income attributable to shareholders of the parent	(66,004)	552,823
Comprehensive income attributable to non-controlling interests	(233)	984

(3) Interim Consolidated Statement of Changes in Net Assets
Six months ended September 30, 2022 (April 1 to September 30, 2022)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	100,045	134,962	1,028,109	(24,965)	1,238,152
Cumulative effects of changes in accounting policies			(9,191)		(9,191)
Effect of hyperinflation			(5,949)		(5,949)
Adjusted beginning balance	100,045	134,962	1,012,968	(24,965)	1,223,011
Changes during the period:					
Dividends			(36,074)		(36,074)
Net loss attributable to shareholders of the parent			(77,138)		(77,138)
Acquisition of treasury stock				(42,569)	(42,569)
Disposal of treasury stock		(253)		841	587
Changes in the scope of consolidation			547		547
Net changes in items other than shareholders' equity					
Total changes during the period	—	(253)	(112,664)	(41,728)	(154,646)
Balance at the end of the period	100,045	134,708	900,304	(66,693)	1,068,364

	Accumulated other comprehensive income					Stock acquisition rights	Non-controlling interests	Total net assets
	Unrealized gains and losses on securities available for sale	Deferred gains and losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the period	838,843	3,429	(68,911)	16,605	789,966	446	12,224	2,040,789
Cumulative effects of changes in accounting policies	(7,578)		3,190		(4,387)		1,168	(12,409)
Effect of hyperinflation								(5,949)
Adjusted beginning balance	831,265	3,429	(65,721)	16,605	785,578	446	13,393	2,022,430
Changes during the period:								
Dividends								(36,074)
Net loss attributable to shareholders of the parent								(77,138)
Acquisition of treasury stock								(42,569)
Disposal of treasury stock								587
Changes in the scope of consolidation								547
Net changes in items other than shareholders' equity	(163,883)	(45)	175,955	(314)	11,712	(177)	1,892	13,427
Total changes during the period	(163,883)	(45)	175,955	(314)	11,712	(177)	1,892	(141,219)
Balance at the end of the period	667,381	3,383	110,234	16,291	797,291	269	15,285	1,881,210

Six months ended September 30, 2023 (April 1 to September 30, 2023)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	100,045	134,708	961,838	(82,145)	1,114,447
Effect of hyperinflation			283		283
Adjusted beginning balance	100,045	134,708	962,121	(82,145)	1,114,730
Changes during the period:					
Dividends			(43,411)		(43,411)
Net income attributable to shareholders of the parent			131,525		131,525
Acquisition of treasury stock				(25,016)	(25,016)
Disposal of treasury stock		(30)		403	373
Net changes in items other than shareholders' equity					
Total changes during the period	—	(30)	88,114	(24,612)	63,471
Balance at the end of the period	100,045	134,678	1,050,235	(106,757)	1,178,201

	Accumulated other comprehensive income					Stock acquisition rights	Non-controlling interests	Total net assets
	Unrealized gains and losses on securities available for sale	Deferred gains and losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the period	708,578	2,412	57,053	20,555	788,599	269	15,824	1,919,140
Effect of hyperinflation								283
Adjusted beginning balance	708,578	2,412	57,053	20,555	788,599	269	15,824	1,919,423
Changes during the period:								
Dividends								(43,411)
Net income attributable to shareholders of the parent								131,525
Acquisition of treasury stock								(25,016)
Disposal of treasury stock								373
Net changes in items other than shareholders' equity	312,252	(567)	110,164	(552)	421,297	(26)	1,995	423,266
Total changes during the period	312,252	(567)	110,164	(552)	421,297	(26)	1,995	486,737
Balance at the end of the period	1,020,831	1,844	167,218	20,003	1,209,897	242	17,819	2,406,161

(4) Notes on Going-Concern Assumption

None.

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

(Changes in Accounting Policies)

(International Financial Reporting Standards (IFRS) 17 “Insurance Contracts”)

Overseas consolidated subsidiaries that have applied the International Financial Reporting Standards (IFRS) have applied IFRS 17 “Insurance Contracts” from the beginning of the interim period of the fiscal year ending March 31, 2024. As a result of this application, underwriting funds are measured to reflect the effects of the time value of money, the financial risks of cash flows from insurance contracts, and the uncertainty of cash flows from insurance contracts.

These changes in accounting policies have been applied retrospectively. Accordingly, the interim consolidated financial statements for the six months ended September 30, 2022, and the consolidated financial statements for the fiscal year ended March 31, 2023, have reflected the retrospective application. As a result, for the six months ended September 30, 2022, ordinary expenses have decreased by 63,214 million yen, and ordinary loss and net loss before income taxes have decreased by 63,214 million yen, respectively, compared to those prior to the retrospective application. In addition, for the fiscal year ended March 31, 2023, other assets have decreased by 1,109,401 million yen, other liabilities have decreased by 515,938 million yen, and underwriting funds have decreased by 643,254 million yen. The cumulative impact of these changes has been reflected in the balance of net assets at the beginning of the fiscal year ended March 31, 2023. As a result, the balance of retained earnings at the beginning of the fiscal year ended March 31, 2023 has decreased by 16,769 million yen.

(International Financial Reporting Standards (IFRS) 9 “Financial Instruments”)

Overseas consolidated subsidiaries that have applied the International Financial Reporting Standards (IFRS) have applied IFRS 9 “Financial Instruments” from the beginning of the interim period of the fiscal year ending March 31, 2024. As a result of this application, the methods for classification and measurement of financial instruments have changed.

These changes in accounting policies have been applied retrospectively. Accordingly, the interim consolidated financial statements for the six months ended September 30, 2022, and the consolidated financial statements for the fiscal year ended March 31, 2023, have reflected the retrospective application. As a result, for the six months ended September 30, 2022, ordinary income decreased by 40,011 million yen, ordinary expenses increased by 87,645 million yen, and ordinary loss and net loss before income taxes increased by 127,656 million yen, respectively, compared to those prior to the retrospective application. In addition, the cumulative impact of these changes has been reflected in the balance of net assets at the beginning of the fiscal year ended March 31, 2023. As a result, the balance of retained earnings at the beginning of the fiscal year ended March 31, 2023 has increased by 7,578 million yen, and the balance of unrealized gains and losses on securities available for sale at the beginning of the fiscal year ended March 31, 2023 decreased by 7,578 million yen.

2. Supplementary Information

(1) Summary of Results of Operations (Consolidated)

	(Millions of yen)			
	Six months ended September 30, 2022 (April 1 to September 30, 2022)	Six months ended September 30, 2023 (April 1 to September 30, 2023)	Increase (Decrease)	Rate of change
Ordinary income and expenses:				%
Underwriting income:	2,310,420	2,295,993	(14,427)	(0.6)
Net premiums written	2,103,273	2,088,965	(14,308)	(0.7)
Deposits of premiums by policyholders	35,003	35,305	302	0.9
Life insurance premiums written	156,829	155,357	(1,472)	(0.9)
Underwriting expenses:	2,079,011	2,005,715	(73,295)	(3.5)
Net claims paid	886,672	981,595	94,923	10.7
Loss adjustment expenses	68,537	71,510	2,972	4.3
Net commissions and brokerage fees	362,115	379,382	17,266	4.8
Maturity refunds to policyholders	79,251	69,989	(9,261)	(11.7)
Life insurance claims paid and other payments	58,600	50,939	(7,660)	(13.1)
Provision for reserve for outstanding losses and claims	188,894	150,848	(38,046)	(20.1)
Provision for underwriting reserves	426,645	300,211	(126,433)	(29.6)
Investment income:	123,404	256,173	132,769	107.6
Interest and dividend income	89,102	89,493	390	0.4
Gains on sales of securities	28,043	69,579	41,536	148.1
Investment expenses:	141,062	56,009	(85,053)	(60.3)
Losses on sales of securities	15,031	34,326	19,294	128.4
Impairment losses on securities	9,055	1,678	(7,377)	(81.5)
Operating, general and administrative expenses	305,187	327,358	22,171	7.3
Other ordinary income and expenses	3,379	17,978	14,598	432.0
Ordinary profit (loss)	(88,057)	181,061	269,118	—
Extraordinary gains and losses:				
Extraordinary gains	1,753	424	(1,329)	(75.8)
Extraordinary losses	3,266	3,087	(179)	(5.5)
Extraordinary gains and losses	(1,512)	(2,662)	(1,149)	—
Net income (loss) before income taxes	(89,569)	178,399	267,968	—
Income taxes	14,862	56,540	41,678	280.4
Deferred income taxes	(28,136)	(11,138)	16,997	—
Total income taxes	(13,274)	45,401	58,675	—
Net income (loss)	(76,295)	132,997	209,293	—
Net income attributable to non-controlling interests	842	1,471	628	74.7
Net income (loss) attributable to shareholders of the parent	(77,138)	131,525	208,664	—

Overseas consolidated subsidiaries that have applied the International Financial Reporting Standards (IFRS) have applied IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments" from the beginning of the interim period of the fiscal year ending March 31, 2024. Accordingly, the figures for the six months ended September 30, 2022 have reflected the retrospective application of these accounting standards, etc.

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

Direct premiums written (including deposits of premiums by policyholders)

(Millions of yen)

Business line	Six months ended September 30, 2022 (April 1 to September 30, 2022)			Six months ended September 30, 2023 (April 1 to September 30, 2023)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	436,947	20.2	26.9	429,276	19.5	(1.8)
Marine insurance	70,303	3.3	34.5	75,321	3.4	7.1
Personal accident insurance	127,224	5.9	(0.2)	126,498	5.8	(0.6)
Voluntary automobile insurance	624,337	28.9	2.7	647,207	29.5	3.7
Compulsory automobile liability insurance	111,249	5.2	(0.7)	98,978	4.5	(11.0)
Others	788,502	36.5	27.1	818,799	37.3	3.8
Total	2,158,565	100.0	15.8	2,196,082	100.0	1.7
Deposits of premiums by policyholders	35,003	1.6	(14.4)	35,305	1.6	0.9

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

Net premiums written

(Millions of yen)

Business line	Six months ended September 30, 2022 (April 1 to September 30, 2022)			Six months ended September 30, 2023 (April 1 to September 30, 2023)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	370,362	17.6	35.5	376,031	18.0	1.5
Marine insurance	64,698	3.1	32.4	77,063	3.7	19.1
Personal accident insurance	87,920	4.2	2.4	87,619	4.2	(0.3)
Voluntary automobile insurance	632,510	30.1	3.9	653,911	31.3	3.4
Compulsory automobile liability insurance	105,235	5.0	(8.1)	102,994	4.9	(2.1)
Others	842,544	40.1	47.7	791,343	37.9	(6.1)
Total	2,103,273	100.0	23.6	2,088,965	100.0	(0.7)

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

Net claims paid

(Millions of yen)

Business line	Six months ended September 30, 2022 (April 1 to September 30, 2022)			Six months ended September 30, 2023 (April 1 to September 30, 2023)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	184,490	20.8	20.0	203,218	20.7	10.2
Marine insurance	22,234	2.5	(0.5)	30,890	3.1	38.9
Personal accident insurance	44,052	5.0	24.5	37,539	3.8	(14.8)
Voluntary automobile insurance	322,284	36.3	9.1	358,118	36.5	11.1
Compulsory automobile liability insurance	72,007	8.1	(7.9)	73,300	7.5	1.8
Others	241,602	27.2	49.4	278,528	28.4	15.3
Total	886,672	100.0	18.7	981,595	100.0	10.7

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

(3) Securities (Consolidated)

As stated in Changes in Accounting Policies, overseas consolidated subsidiaries that have applied the International Financial Reporting Standards (IFRS) have applied IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments." These changes in accounting policies have been applied retrospectively, and the figures for the fiscal year ended March 31, 2023 have reflected the retrospective application.

1. Bonds held to maturity

(Millions of yen)

		As of March 31, 2023			As of September 30, 2023		
		Carrying amount	Fair value	Unrealized gains and losses	Carrying amount	Fair value	Unrealized gains and losses
Securities whose fair value exceeds their carrying amount	Domestic bonds	1,076,224	1,231,876	155,652	184,311	203,880	19,569
Securities whose fair value does not exceed their carrying amount	Domestic bonds	132,414	114,851	(17,563)	139,315	117,434	(21,881)
Total		1,208,639	1,346,728	138,089	323,626	321,314	(2,312)

2. Policy reserve matching bonds

(Millions of yen)

		As of March 31, 2023			As of September 30, 2023		
		Carrying amount	Fair value	Unrealized gains and losses	Carrying amount	Fair value	Unrealized gains and losses
Securities whose fair value exceeds their carrying amount	Domestic bonds	187,245	198,839	11,593	38,614	39,777	1,162
Securities whose fair value does not exceed their carrying amount	Domestic bonds	1,223,159	1,110,309	(112,849)	1,766,633	1,522,766	(243,866)
Total		1,410,404	1,309,149	(101,255)	1,805,247	1,562,543	(242,703)

3. Securities available for sale

(Millions of yen)

		As of March 31, 2023			As of September 30, 2023		
		Carrying amount	Cost	Unrealized gains and losses	Carrying amount	Cost	Unrealized gains and losses
Securities whose carrying amount exceeds their cost	Domestic bonds	737,040	680,127	56,913	1,368,875	1,255,984	112,891
	Domestic stocks	1,211,725	370,543	841,181	1,409,489	368,802	1,040,686
	Foreign securities	964,076	772,404	191,672	1,318,195	965,037	353,158
	Others	185,958	172,607	13,351	203,093	182,052	21,041
	Subtotal	3,098,801	1,995,682	1,103,119	4,299,654	2,771,876	1,527,778
Securities whose carrying amount does not exceed their cost	Domestic bonds	806,847	865,614	(58,767)	855,766	928,046	(72,279)
	Domestic stocks	21,838	24,806	(2,967)	8,064	9,396	(1,331)
	Foreign securities	970,325	1,061,316	(90,991)	708,216	781,440	(73,223)
	Others	66,148	71,844	(5,695)	63,887	69,723	(5,836)
	Subtotal	1,865,159	2,023,582	(158,422)	1,635,935	1,788,607	(152,672)
Total		4,963,961	4,019,264	944,696	5,935,590	4,560,484	1,375,105

Notes)

As of March 31, 2023	As of September 30, 2023
1. Stocks and others without a quoted market price and Investments in Partnerships are not included in the above table.	1. Same as on the left
2. Beneficial interests in the loan trusts classified as monetary receivables bought in the consolidated balance sheet are included in "Others" above.	2. Beneficial interests in the loan trusts classified as monetary receivables bought in the interim consolidated balance sheet are included in "Others" above.

4. Securities for which impairment losses are recognized

Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)	Six months ended September 30, 2023 (April 1 to September 30, 2023)
For the fiscal year ended March 31, 2023, impairment losses on securities available for sale (excluding stocks and others without a quoted market price and Investments in Partnerships) amount to 8,739 million yen (domestic stocks: 882 million yen, foreign securities: 7,841 million yen, others: 16 million yen), and impairment losses on stocks and others without a quoted market price and Investments in Partnerships amount to 1,535 million yen (domestic stocks: 1,034 million yen, foreign securities: 501 million yen). Basically, impairment losses on securities are recognized if fair value at the end of the fiscal year declines by 30% or more from their cost.	For the six months ended September 30, 2023, impairment losses on stocks and others without a quoted market price and Investments in Partnerships amount to 1,321 million yen (domestic stocks: 476 million yen, foreign securities: 845 million yen). Basically, impairment losses on securities are recognized if fair value at the end of the second quarter declines by 30% or more from their cost.