

Highlights of FY2017 Results

May 18, 2018
Sompo Holdings, Inc.



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* SI stands for Sompo International(Endurance).

Highlights of FY2017 Results

- ◆ Consolidated ordinary profit for FY2017 decreased by ¥99.8 billion to ¥141.8 billion, mainly due to the impact of hurricanes in North America, etc. and large losses. Consolidated net income for FY2017 was held to a decrease of only ¥26.5 billion to ¥139.8 billion, mainly due to a decrease in tax expenses in connection with the reorganization of SI, etc.
- ◆ Consolidated ordinary profit is projected to double in FY2018 based on growth in each business with stripping out of one-time factors. Consolidated net income plans to increase by ¥70.1 billion to a record-high ¥210.0 billion.

**FY2017
Actual**

- Sampo Japan Nipponkoa : Ordinary profit decreased mainly due to the impact of a greater number of large losses than average year and certain investment-related expenses that are eliminated on a consolidated basis. Consolidated net income increased by ¥5.6 billion, mainly due to one-time factors*.
- Himawari life : Profit level was largely on par with the previous fiscal year, as growth in premium and other income was offset by provision for policy reserve and other impacts.
- Two major nursing care operating companies : Became profitable as planned based on an improving occupancy rate. (net income increased by ¥5.9 billion)
- Overseas insurance : Net income decreased by ¥57.3 billion, mainly due to hurricanes in North America, etc.

* A decrease in tax expenses in connection with the reorganization of SI, etc. is counted in adjusted profit on the overseas insurance business.

**FY2018
Forecast**

- Consolidated ordinary profit is projected to double in FY2018 based on the impact of hurricanes in North America, etc. and large losses.
- Consolidated net income plan to increase by ¥70.1 billion to a record-high ¥210.0 billion.

**Shareholder
Return**

- Management approved increase in dividend per share for the fifth consecutive year (including FY2018 forecast) and share buy back of ¥39.1 billion. (Total payout ratio in FY2017 was 50%.)

1. Trend of business results

2. Domestic P&C insurance

3. Domestic life insurance

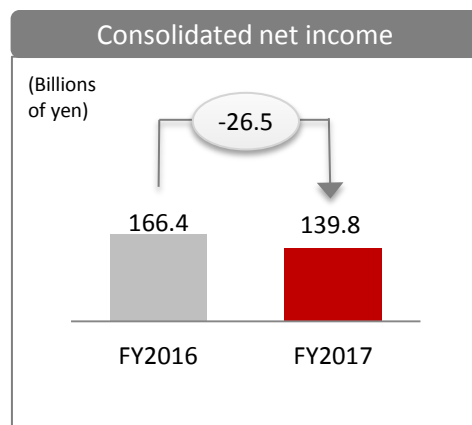
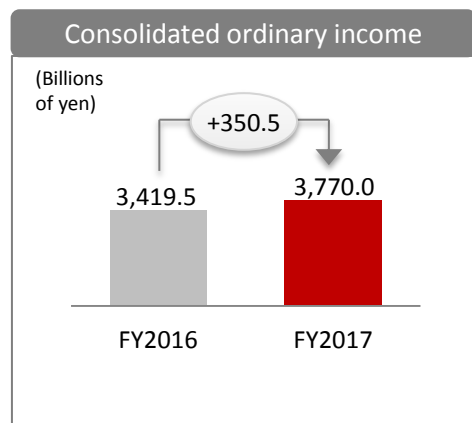
4. Nursing care & healthcare, etc.

5. Overseas insurance

6. ERM & asset management

Overview of FY2017 Results – Consolidated Basis

- ◆ The top-line increased mainly due to higher net premiums written in other lines at Sampo Japan Nipponkoa and the consolidation of P/L of SI.
- ◆ Consolidated net income was ¥139.8 billion by covering the impact of hurricanes in North America, etc. with a decrease in tax expenses in connection with reorganization of SI, etc.



(Billions of yen)	FY2016	FY2017	Change
Consolidated ordinary income	3,419.5	3,770.0	+350.5 (+10.3%)
Net premiums written (P&C)	2,550.3	2,854.7	+304.4 (+11.9%)
Life insurance premiums	323.8	346.9	+23.1 (+7.1%)
Consolidated ordinary profit	241.7	141.8	-99.8
Sampo Japan Nipponkoa	230.4	175.2	-55.2
Himawari Life	12.9	12.7	-0.2
Nursing care (SOMPO Care and Next)	-1.2	3.4	+4.7
Overseas insurance subsidiaries	22.7	-36.6	-59.3
Consolidated adjustment* ¹ /Others	-23.1	-12.8	+10.2
Consolidated net income* ²	166.4	139.8	-26.5
Sampo Japan Nipponkoa	164.4	170.0	+5.6
Himawari Life	8.3	8.1	-0.2
Nursing care (SOMPO Care and Next)	-2.9	2.9	+5.9
Overseas insurance subsidiaries	19.5	-37.8	-57.3
Consolidated adjustment* ¹ /Others	-22.9	-3.4	+19.4
(Reference) Adjusted profit (by business)	183.2	162.7	-20.5
Domestic P&C insurance	134.9	85.3	-49.5
Domestic life insurance	29.1	29.2	+0.0
Nursing care & healthcare, etc.	-0.7	4.1	+4.8
Overseas insurance	19.9	44.0	+24.0

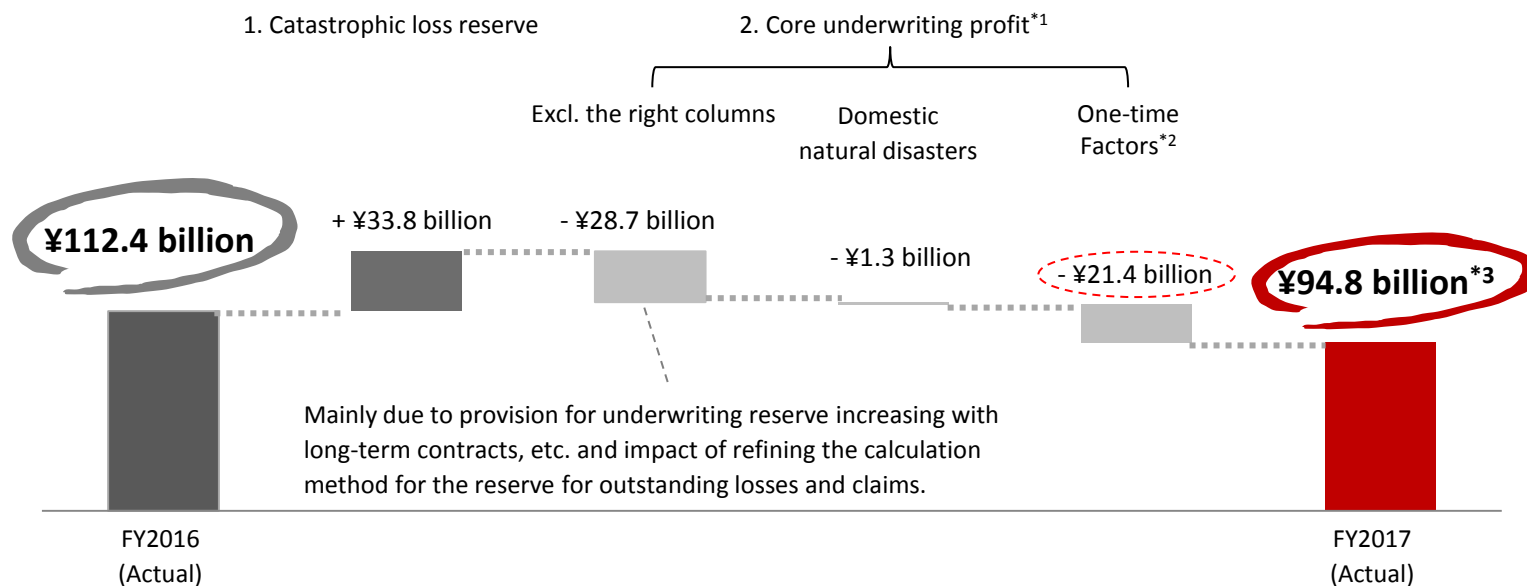
*1 "Purchase method" accounting was adopted upon the establishment of Sampo Holdings. The figures therefore include adjustments for gains/losses on sales, etc.

*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

◆ Underwriting profit decreased by ¥17.6 billion to ¥94.8 billion mainly due to the impact of a greater number of large losses than average year(- ¥21.4 billion).

Changing factors of underwriting profit (Sompo Japan Nipponkoa)



	1. Catastrophic loss reserve	2. Core underwriting profit			Underwriting profit
			(Other than domestic natural disasters)	(Domestic natural disasters)	
FY2016 Actual	- ¥15.8 billion	¥128.3 billion	¥184.1 billion	- ¥55.8 billion	¥112.4 billion
FY2017 Actual	¥17.9 billion	¥76.8 billion	¥134.0 billion	- ¥57.1 billion	¥94.8 billion

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

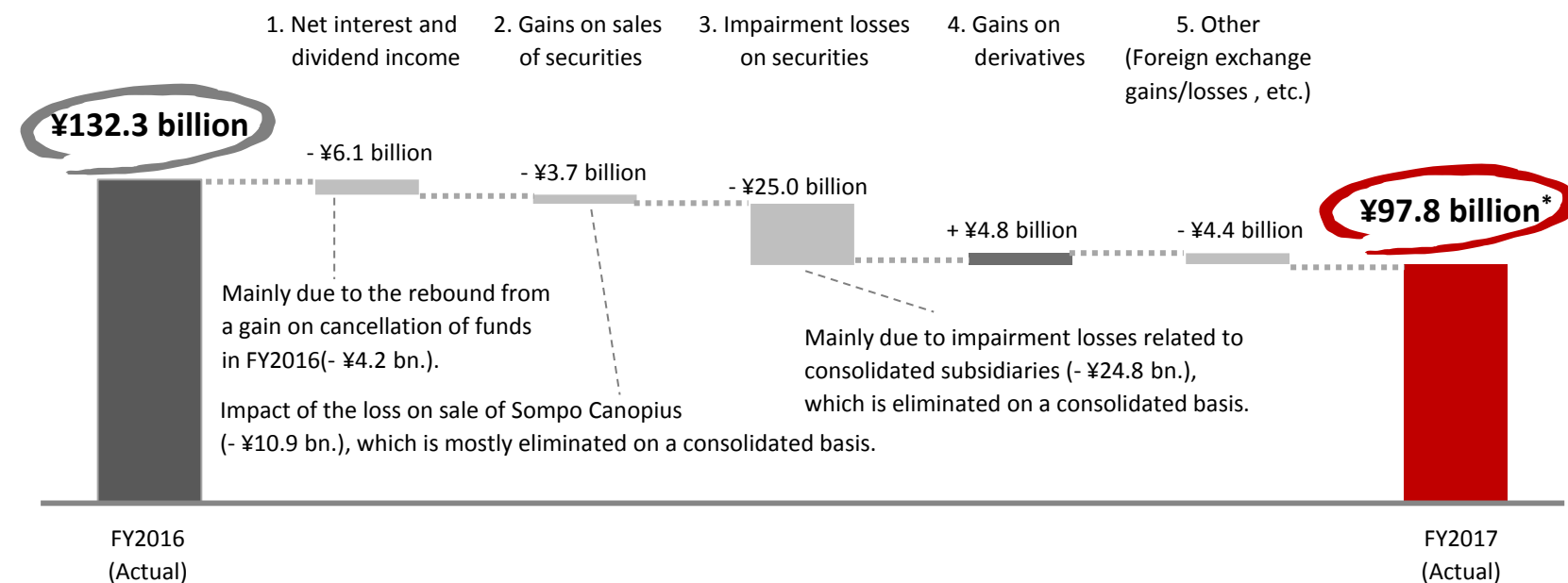
*2 The breakdown (net incurred losses): hurricanes in North America, etc. (- ¥6.8 billion) and an increase in large losses (- ¥14.5 billion).

*3 The difference between the actual result and the previously disclosed FY2017 forecast (¥109.0 billion) is mainly due to hurricanes in North America, etc. and an increase in large losses.

Main Points of Consolidated Results – (2) Investment Profit

- ◆ Investment profit was largely in line with the previous year's level, excluding losses on sales of securities and impairment losses on securities, which are eliminated on a consolidated basis.

Changing factors of investment profit (Sompo Japan Nipponkoa)



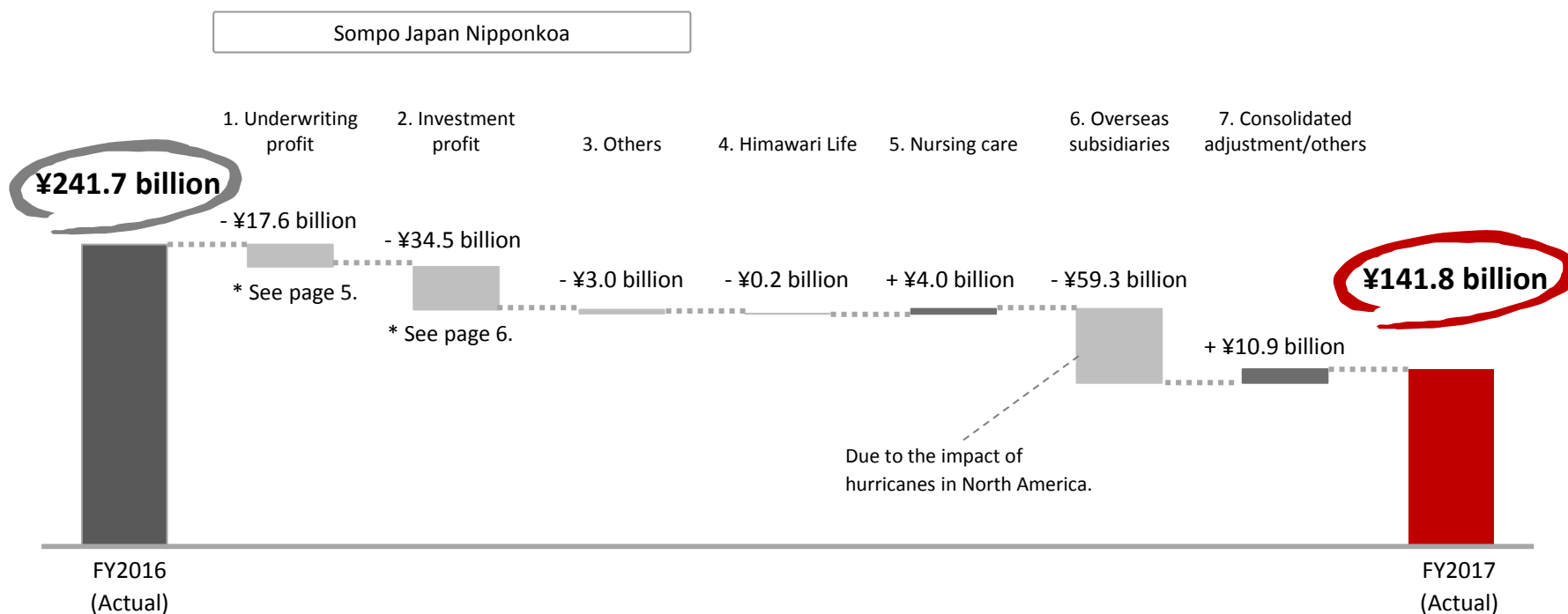
	1. Net interest and dividend income	2. Gains on sales of securities	3. Impairment losses on securities	4. Gains on derivatives	5. Other (Foreign exchange gains/losses, etc.)	Investment profit
FY2016 Actual	¥73.1 billion	¥71.0 billion	- ¥1.6billion	- ¥16.2 billion	¥5.9 billion	¥132.3 billion
FY2017 Actual	¥66.9 billion	¥67.3 billion	- ¥26.7 billion	- ¥11.3 billion	¥1.5 billion	¥97.8 billion

* The difference between the actual result and the previously disclosed FY2017 forecast (¥109.3 bn.) is mainly due to the loss on sale of Sompo Canopius (- ¥10.9 bn.), which is mostly eliminated on a consolidated basis.

Main Points of Consolidated Results – (3) Ordinary Profit

- ◆ Consolidated ordinary profit decreased by ¥99.8 billion to ¥141.8 billion, mainly due to a decrease in the profit of Sompo Japan Nipponkoa and hurricanes in North America, etc.

Changing factors of consolidated ordinary profit

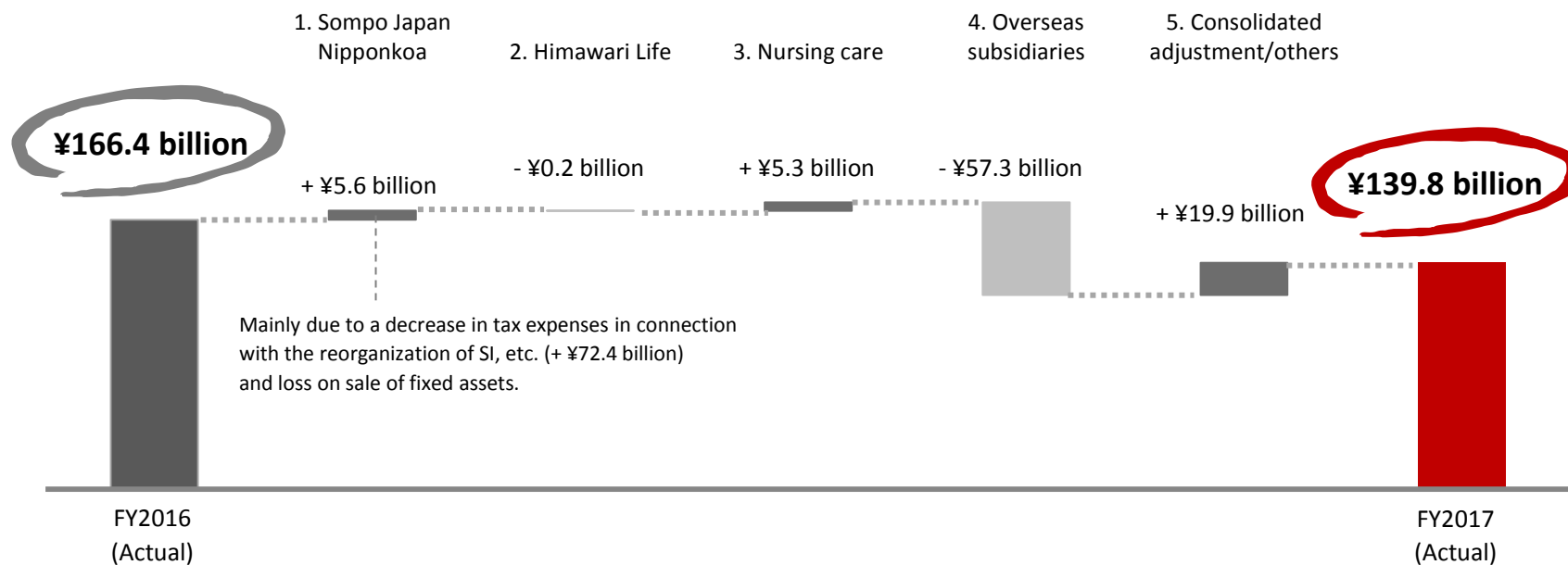


	1. Underwriting profit	2. Investment profit	3. Others	4. Himawari Life	5. Nursing care	6. Overseas subsidiaries	7. Consolidated adjustment/others	Ordinary profit
FY2016 Actual	¥112.4 billion	¥132.3 billion	- ¥14.3 billion	¥12.9 billion	- ¥0.6 billion	¥22.7 billion	- ¥23.8 billion	¥241.7 billion
FY2017 Actual	¥94.8 billion	¥97.8 billion	- ¥17.4 billion	¥12.7 billion	¥3.4 billion	- ¥36.6 billion	- ¥12.8 billion	¥141.8 billion

Main Points of Consolidated Results – (4) Net Income

- ◆ Secured ¥139.8 billion due to positive contribution on a decrease in tax expenses in connection with the reorganization of SI, etc.

Changing factors of consolidated net income



	1. Sompo Japan Nipponkoa	2. Himawari Life	3. Nursing care	4. Overseas subsidiaries	5. Consolidated adjustment/others	Net income
FY2016 Actual	¥164.4 billion	¥8.3 billion	- ¥2.3 billion	¥19.5 billion	- ¥23.4 billion	¥166.4 billion
FY2017 Actual	¥170.0 billion	¥8.1 billion	¥2.9 billion	- ¥37.8 billion	- ¥3.4 billion	¥139.8 billion

(Reference) Details of Hurricanes in North America, etc.

and a Decrease in Tax Expenses in Connection with the Reorganization of SI, etc.

Impact of hurricanes in North America, etc.

(Billions of yen)	Net incurred claim* ¹	Impact on consolidated net income
Hurricanes in North America	74.0	-65.2
Harvey	22.9	-19.5
Irma	40.8	-36.6
Maria	10.3	-9.0
Earthquakes in Mexico	1.8	-1.4
Wild fires in California	10.1	-8.7
Total	86.1	-75.4

(Reference) Breakdown by companies

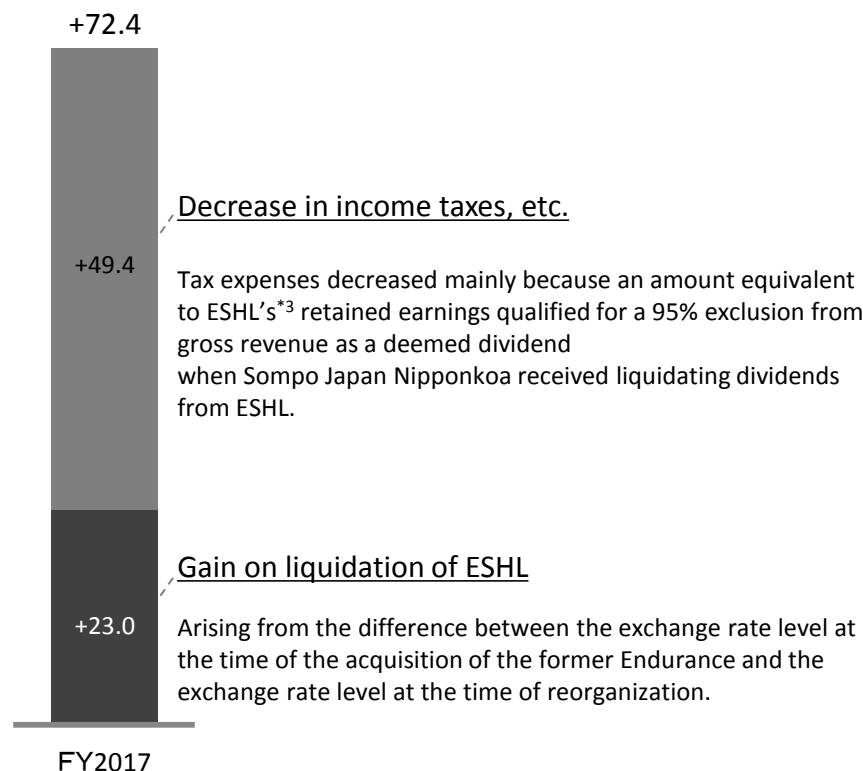
[Net incurred claim]

SI : ¥46.5 bn. Somo Canopus : ¥31.6bn. Somo Japan Nipponkoa : ¥6.8bn.
Other : ¥1.0bn.

[Impact on consolidated net income]

SI : -¥43.9bn. Somo Canopus : -¥25.8bn. Somo Japan Nipponkoa : -¥4.9bn.
Other : -¥0.6bn.*¹ Net of reinsurance and less net loss attributable to non-controlling shareholders, etc.Impact of a decrease in tax expenses in connection with the reorganization of SI, etc.*²

(Billions of yen)

*² The impact on net income of Somo Japan Nipponkoa (non-consolidated).*³ Former Endurance Specialty Holdings Ltd.

Business Forecasts for FY2018 – Consolidated Basis

◆ Consolidated ordinary profit is expected to double to ¥290.0 billion, and consolidated net income plans to increase ¥70.1 billion to ¥210.0 billion.

(Billions of yen)	FY2017 (Actual)	FY2018 (Forecasts)	Change
Net premiums written (P&C)	2,854.7	2,780.0	-74.7 (-2.6%)
Life insurance premiums	346.9	360.0	+13.0 (+3.7%)
Consolidated ordinary profit	141.8	290.0	+148.1
Sompo Japan Nipponkoa	175.2	250.0	+74.7
Himawari Life	12.7	17.6	+4.8
Nursing care (SOMPO Care and Next)	3.4	6.7	+3.2
Overseas subsidiaries	-36.6	41.0	+77.7
Consolidated adjustment/others	-12.8	-25.4	-12.5
Consolidated net income	139.8	210.0	+70.1 (+50.2%)
Sompo Japan Nipponkoa	170.0	187.0	+16.9
Himawari Life	8.1	12.0	+3.8
Nursing care (SOMPO Care and Next)	2.9	4.2	+1.2
Overseas subsidiaries	-37.8	30.1	+68.0
Consolidated adjustment/others	-3.4	-23.4	-19.9
Consolidated net income per share (Yen)	361	551	+190
(Reference) Adjusted profit (by business)	162.7	220.0	+57.2 (+35.2%)
Domestic P&C insurance	85.3	Over 118.0	+32.6
Domestic life insurance	29.2	Over 32.0	+2.7
Nursing care & healthcare, etc.	4.1	Over 6.0	+1.8
Overseas insurance	44.0	Over 63.0	+18.9
Adjusted profit per share (Yen)	420	578	+157 (+37.4%)

Main Points of Business Forecasts for FY2018

- ◆ Consolidated ordinary profit is expected to increase by ¥148.1 billion to ¥290.0 billion and consolidated net income is expected to ¥210.0 billion, setting a new record, due to stripping out the impacts of hurricanes in North America, etc. and large losses, a decrease in domestic natural disasters, as well as organic growth in businesses.
- ◆ Adjusted consolidated profit as funds of shareholder return is expected to increase by ¥57.2 billion to ¥220.0 billion.

Sompo Japan Nipponkoa

- Underwriting profit is expected to increase by ¥33.1 billion, mainly due to an improving E/I loss ratio on fire and allied lines and other lines, as well as stripping out the impact of large losses.
- Investment profit is expected to increase by ¥44.3 billion with reducing strategic-holding stocks as planned.
- As a result, ordinary profit is expected to increase by ¥74.7 billion to ¥250.0 billion and net income is expected to increase by ¥16.9 billion to ¥187.0 billion, partly due to stripping out of one-time factors in the previous fiscal year.

Himawari Life

- Ordinary profit and net income are both expected to increase based on growth in premium and other income at a pace of around 3%.

Nursing care (SOMPO Care and SOMPO Care Next)

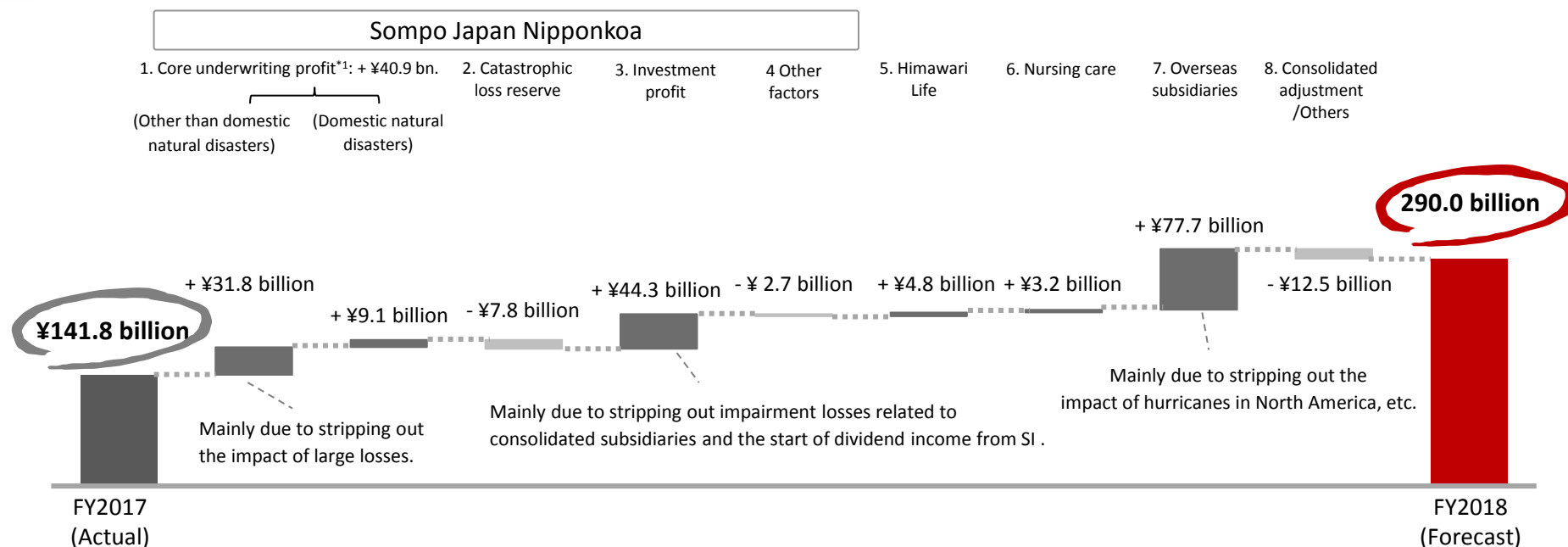
- Net income is expected to increase, mainly due to cost savings from mergers, in addition to continuing improvement in occupancy rates.

Overseas insurance

- Net income is expected to increase substantially (by ¥68.0 billion) to ¥30.1 billion, mainly due to stripping out the impact of hurricanes in North America, etc. and organic growth led by insurance business at SI.

(Reference) Breakdown of Business Forecasts for FY2018

Main components of consolidated ordinary profit



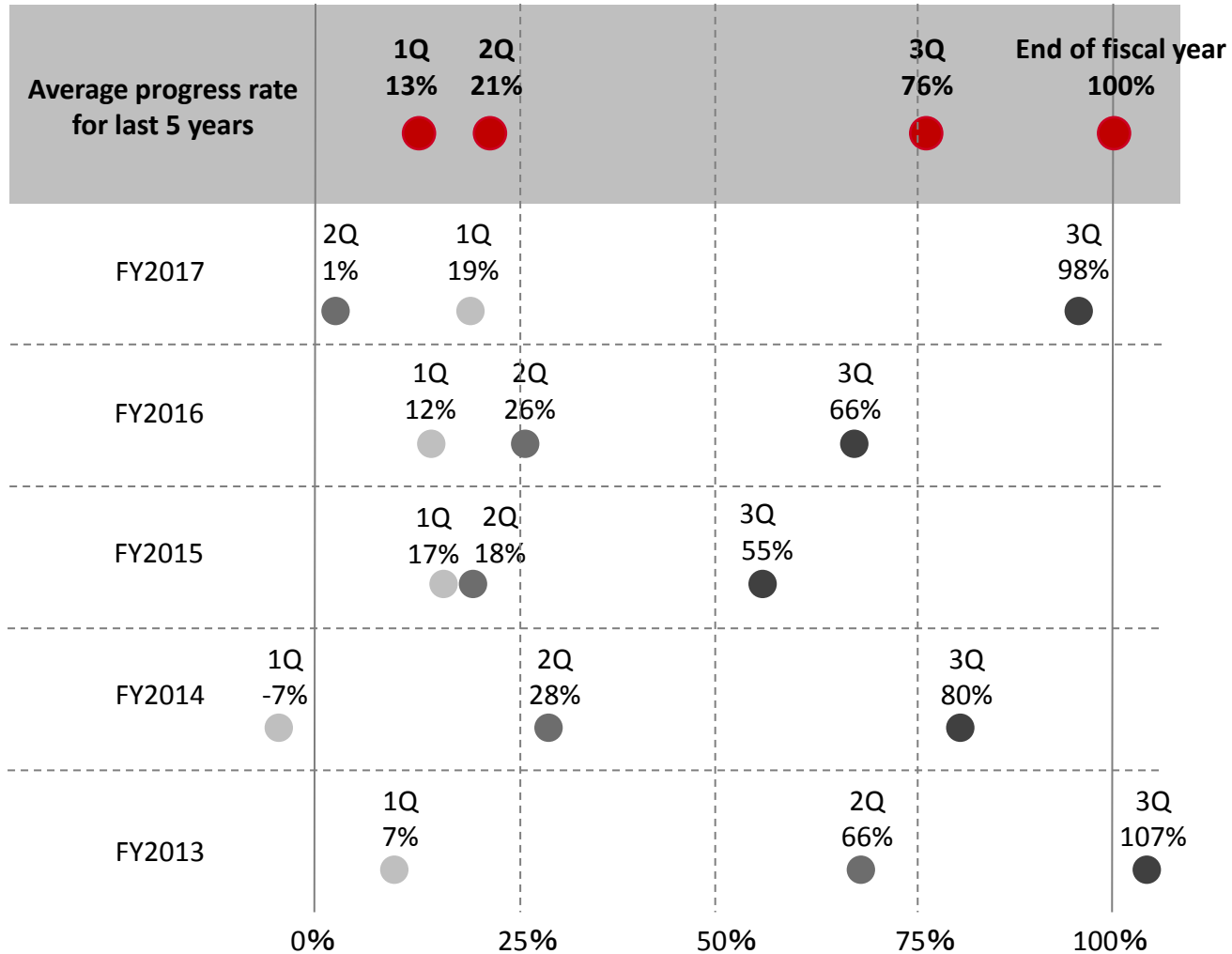
	1. Core underwriting profit		2. Catastrophic loss reserve	3. Investment profit	4. Other Factors	5. Himawari Life	6. Nursing care	7. Overseas subsidiaries	8. Consolidated adjustment /Others	Ordinary profit
	(Other than domestic natural disasters)	(Domestic natural disasters)								
FY2017 Actual	¥134.0 billion	- ¥57.1 billion	¥17.9 billion	¥97.8 billion	- ¥17.4 billion	¥12.7 billion	¥3.4 billion	- ¥36.6 billion	- ¥12.8 billion	¥141.8 billion
FY2018 Forecasts	¥165.8 billion	- ¥48.0 billion	¥10.1 billion	¥142.1 billion	- ¥20.1 billion	¥17.6 billion	¥6.7 billion	¥41.0 billion	- ¥25.4 billion*²	¥290.0 billion

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

*2 The goodwill for the SI acquisition is \$1,513 million. Combined with intangible assets, the net amortization amount is around \$2,000 million (as of the date of acquisition). 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 projected at ¥25.3 billion for FY2018.

(Reference) Past Progress of Quarterly Results

Progress in each quarter (consolidated net income)



(Reference) Numerical Management Targets, etc.

Numerical management targets

Definition of adjusted profit

(Billions of yen)	FY2016	FY2017		FY2018		(Reference : Plan) Announced on November 2016
	(Actual)	(Actual)	Change	(Forecasts)	Change	
Domestic P&C insurance* ¹	134.9	85.3	-49.5	Over 118.0	+32.6	Over 120.0
Domestic life insurance	29.1	29.2	+0.0	Over 32.0	+2.7	Over 32.0
Nursing care & healthcare, etc.	-0.7	4.1	+4.8	Over 6.0	+1.8	Over 8.0
Overseas insurance	19.9	44.0	+24.0	Over 63.0	+18.9	Over 60.0
Total (Adjusted consolidated profit)	183.2	162.7	-20.5	220.0	+57.2	220.0 - 230.0
Adjusted consolidated ROE*²	7.6%	6.4%	-1.3pt	8.3%	+1.9pt	Over 8%
(Reference) ROE (J-GAAP)	9.7%	7.6%	-2.1pt	Around 11%	+3.4pt	Around 10% level

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 Sampo Japan Nipponkoa, Saison Automobile & Fire, Sonpo 24, Sampo Japan Nipponkoa Insurance Services, DC Securities and Sampo 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 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.). Actual for the overseas insurance business in FY2017 includes 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 FY2017 Results – Sompo Japan Nipponkoa

- ◆ Ordinary profit decreased by ¥55.2 billion to ¥175.2 billion, mainly due to decreases in both underwriting profit and investment profit.
- ◆ Net income increased by ¥5.6 billion to ¥170.0 billion, due partly to the positive impact of a decrease in tax expenses in connection with the reorganization of SI, etc.

(Billions of yen)	FY2016	FY2017	Change
Net premiums written	2,165.6	2,168.0	+2.3 (+0.1%)
(excl. CALI, household earthquake)	1,869.5	1,876.0	+6.4 (+0.3%)
Net premiums earned (excl. CALI, household earthquake)	1,883.7	1,882.1	-1.6 (-0.1%)
Loss ratio	63.2%	64.4%	+1.2pt
(excl. CALI, household earthquake)	59.8%	62.0%	+2.2pt
E/I loss ratio (excl. CALI, household earthquake)	59.5%	61.7%	+2.2pt
Net expense ratio	32.0%	32.3%	+0.3pt
(excl. CALI, household earthquake)	33.7%	34.0%	+0.3pt
Combined ratio	95.2%	96.7%	+1.5pt
(excl. CALI, household earthquake)	93.5%	95.9%	+2.4pt
Underwriting profit	112.4	94.8	-17.6
Investment profit	132.3	97.8	-34.5
Ordinary profit	230.4	175.2	-55.2
Net income	164.4	170.0	+5.6
(Reference) Adjusted profit			
+) Provisions for catastrophic loss reserve (after tax)	11.4	-12.8	-24.2
+) Provisions for reserve for price fluctuation (after tax)	7.5	7.5	-0.0
-) Gains/losses on sales of securities and impairment losses on securities (after tax)	49.8	29.1	-20.6
-) Special factors (after tax)*	-5.0	47.6	+52.7
Adjusted profit	138.5	87.8	-50.7

Mainly due to hurricanes in North America, etc. and an increase in large losses.

Mainly the loss on sales and impairment losses related to consolidated subsidiaries, which is eliminated on a consolidated basis.

a decrease in tax expenses in connection with the reorganization of SI, etc. (+ ¥72.4 billion).

* Special factors are a decrease in tax expenses in connection with the reorganization of SI, etc., loss on sale of fixed assets and gains/losses related to stock future, etc.

Net Premiums Written

- ◆ Net premiums written (excl. CALI, household earthquake) increased by 0.3%, mainly due to an increase in the number of voluntary automobile insurance policies and strong sales in other lines.

Net premiums written by product line

(Billions of yen)	FY2016	FY2017	Change		FY2018 (Forecasts)
Fire and Allied Lines	285.3	281.7	-3.6	(-1.3%)	262.0
Marine	43.9	47.3	+3.4	(+7.7%)	45.6
Personal Accident	181.7	179.9	-1.8	(-1.0%)	176.4
Voluntary Automobile	1,077.7	1,078.5	+0.7	(+0.1%)	1,068.7
CALI	295.2	291.3	-3.8	(-1.3%)	281.6
Other	281.5	289.0	+7.4	(+2.7%)	311.4
of which, Liability	153.7	157.4	+3.7	(+2.4%)	167.7
Total	2,165.6	2,168.0	+2.3	(+0.1%)	2,146.0
Total (excl. CALI, household earthquake)	1,869.5	1,876.0	+6.4	(+0.3%)	1,863.5

(Main changing factors)

Fire and Allied Lines: Mainly due to a decrease in reinsurance premiums assumed, despite an increase in the number of policies.

Marine: Premiums 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.

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

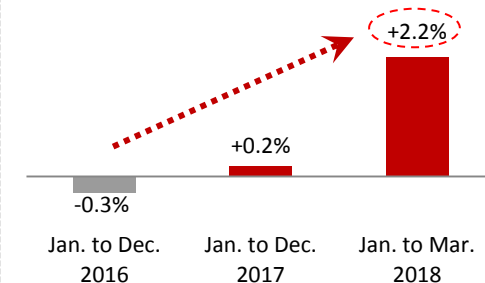
(Reference) Year-on-Year comparison of voluntary automobile insurance (April 2017 - March 2018)

	# of vehicles	Unit premium	Total Premium
Non-fleet	+0.5%	-1.0%	-0.4%
Fleet	+2.1%	+0.8%	+2.9%
Total	+0.8%	-0.7%	+0.1%

(Performance evaluation basis)

<Trends of the number of non-fleet vehicles>

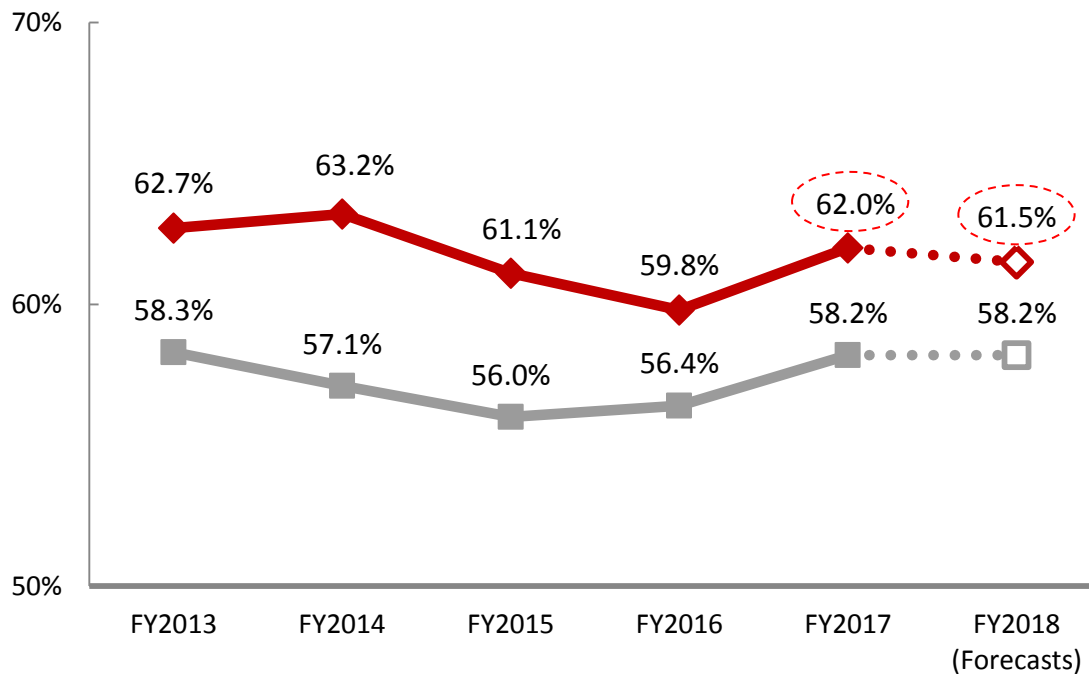
Acceleration in the growth trend following product revisions in January 2018, after shifting to an increasing trend in the previous year.



Loss Ratio (W/P)

- ◆ The loss ratio rose in FY2017, partly due to the impact of a greater number of large losses than average year, while the loss ratio is expected to improve in FY2018 mainly based on a decrease in claims payments for domestic natural disasters.

Loss ratio(W/P)



◆ Loss ratio (excl. CALI, household earthquake)

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

(Reference) Loss ratio (W/P) by product line

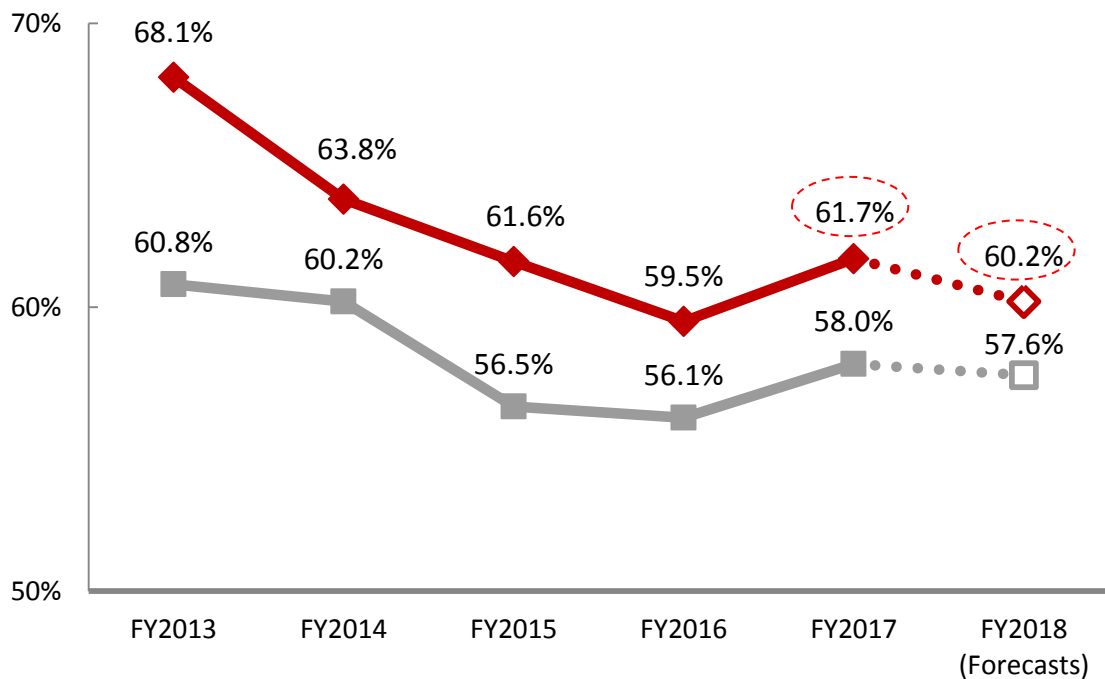
	FY2017	
	Loss Ratio	Change
Fire and Allied lines (excl. household earthquake)	73.5%	+8.5pt
Marine	64.3%	-1.1pt
Personal Accident	56.7%	+0.2pt
Voluntary Automobile	61.5%	+1.4pt
Other	55.5%	+0.7pt
Total (excl. CALI, household earthquake)	62.0%	+2.2pt

Loss ratio increased due to an improvement in the completion rate for claim payments. Meanwhile, E/I loss ratio improved, reflecting a decrease in the number of accidents. (-0.2pt) *See next page.

Loss Ratio (E/I)

◆ An improvement of -1.5 pt is expected for FY2018, mainly based on a decrease of domestic natural disasters and stripping out impact of large losses.

Loss ratio(E/I)



◆ Loss ratio (E/I) (excl. CALI, household earthquake)

■ (Reference) Loss ratio (E/I) (excl. CALI, household earthquake, domestic natural disasters)

(Reference) Loss ratio (E/I) by product line

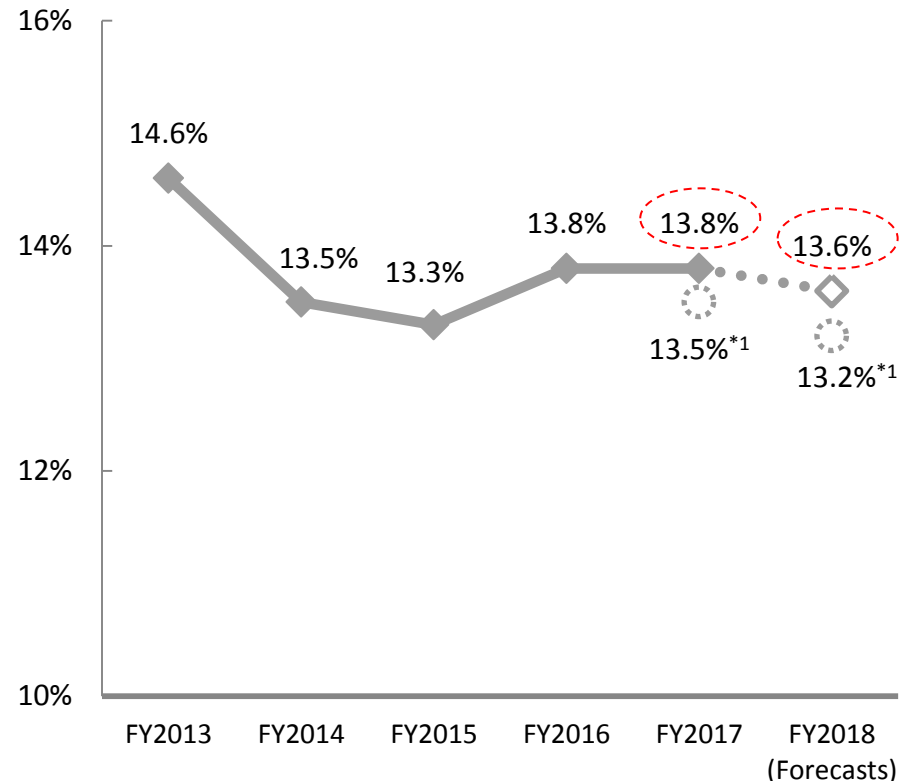
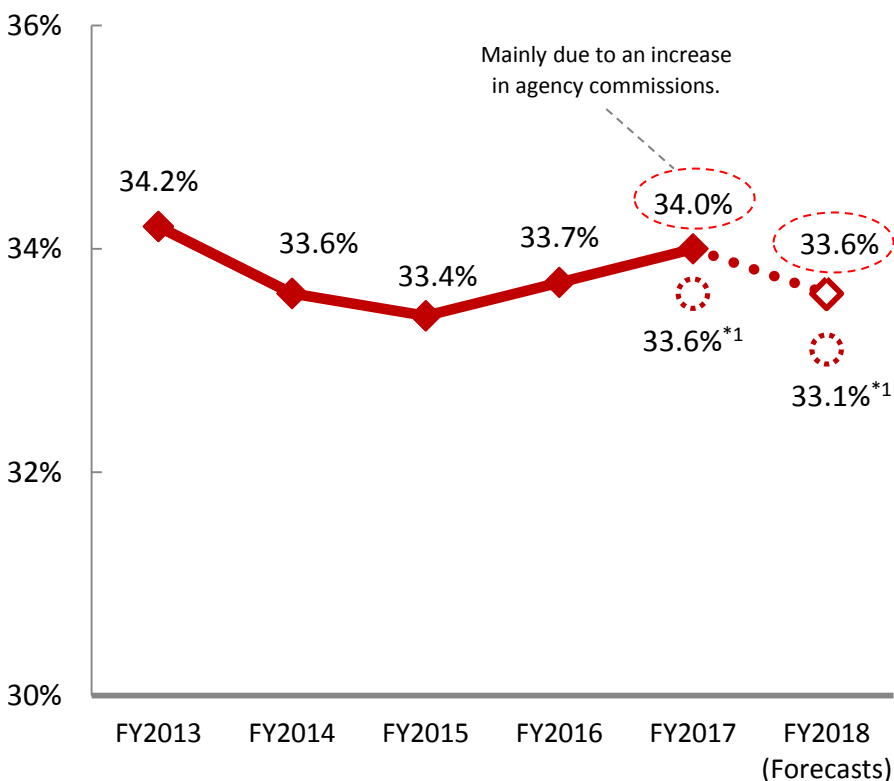
	FY2017	
	Loss Ratio	Change
Fire and Allied lines (excl. household earthquake)	69.1%	+8.8pt
Marine	60.1%	+5.8pt
Personal Accident	56.3%	+0.6pt
Voluntary Automobile	60.5%	-0.2pt
Other	62.5%	+4.7pt
Total (excl. CALI, household earthquake)	61.7%	+2.2pt

Net Expense Ratio

◆ The expense ratio was controlled as planned, focusing on the company expenses ratio.

Net expense ratio (excl. CALI, household earthquake)

Company expense ratio *2 (excl. CALI, household earthquake)



*1 Excluding upfront investments

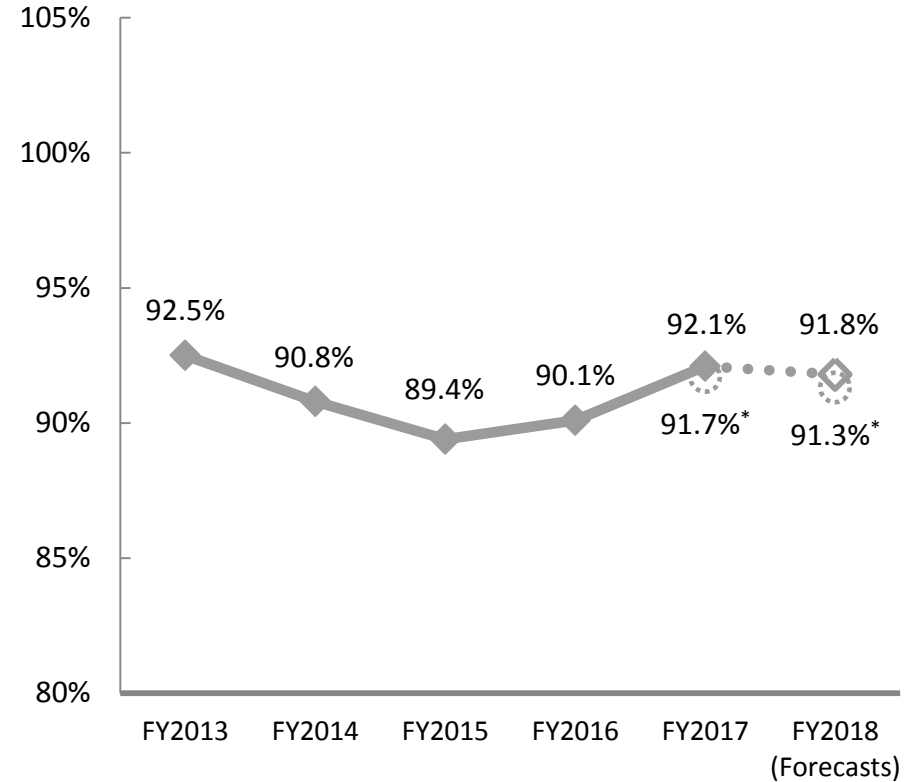
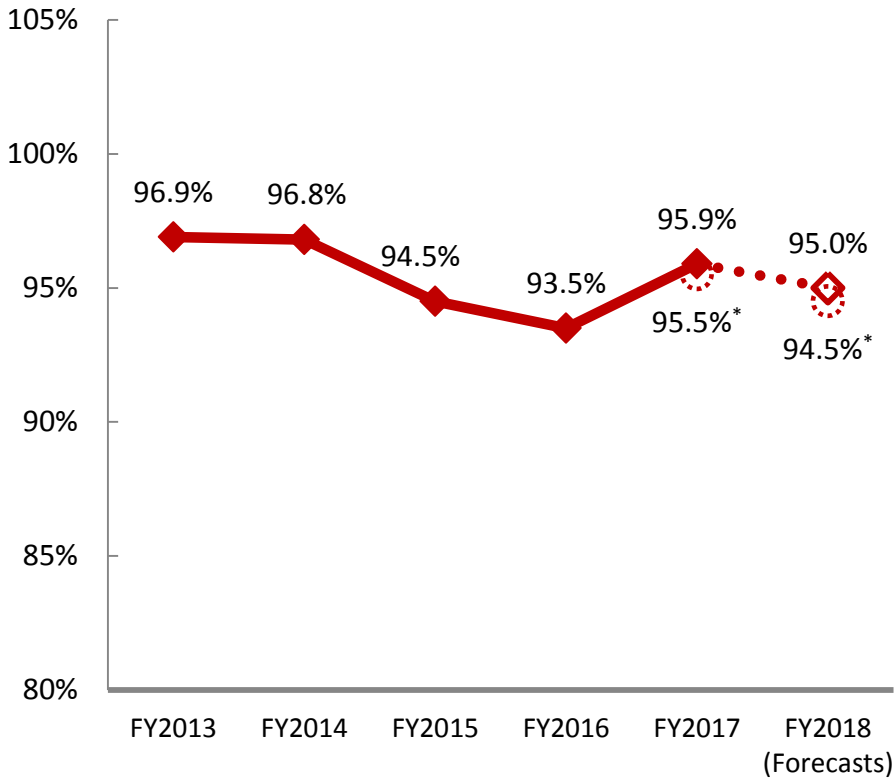
*2 Ratio of general administrative and selling expense related with underwriting to net premium written

Combined Ratio

◆ The combined ratio in FY2017 was 95.9% (+2.4pt, YoY), while in FY2018 it is expected to improve to 95.0% (- 0.9pt, YoY).

Combined ratio (excl. CALI, household earthquake)

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



Investment Profit

- ◆ Investment profit was largely in line with the previous year's level ,excluding losses on sales of securities and impairment losses on securities, which are eliminated on a consolidated basis.
- ◆ The reduction of strategic-holding stocks in FY2017 amounted to ¥109.6 billion, surpassing initial plan (around ¥100.0 billion).

Investment profit (Sompo Japan Nipponkoa, non-consolidated)

(Billions of yen)		FY2016	FY2017	Change	FY2018 (Forecasts)
Net interest and dividend income	1	73.1	66.9	-6.1	92.4
Interest and dividend income*		114.8	106.2	-8.6	131.5
of which, dividends from overseas subsidiaries		0.9	0.8	-0.0	26.3
Gains on sales of securities*	2	71.0	67.3	-3.7	51.1
of which, domestic stocks		74.9	77.6	+2.7	67.0
Impairment losses on securities*	3	-1.6	-26.7	-25.0	-1.0
of which, domestic stocks		-0.5	-13.0	-12.5	-1.0
Gains on derivatives	4	-16.2	-11.3	+4.8	-6.6
Other investment income	5	5.9	1.5	-4.4	6.2
Investment profit	1+2+3+4+5	132.3	97.8	-34.5	142.1

Reduction of strategic-holding stocks

¥109.6 billion

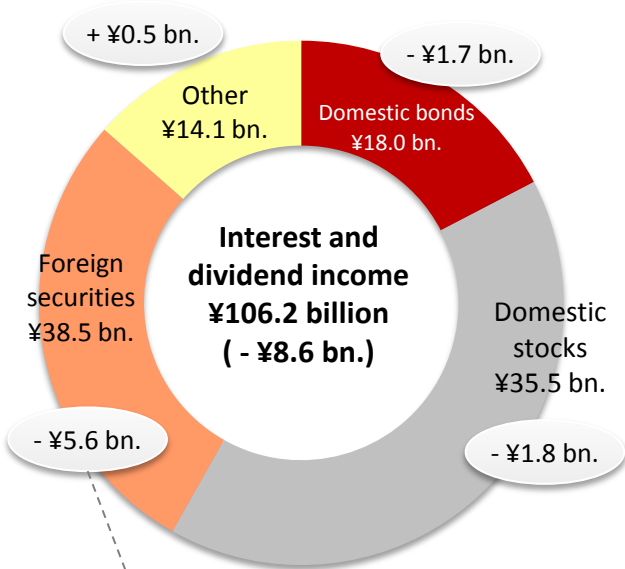
Net reduction on fair value basis.
(market value of sales minus market value of purchase)

* See next page for breakdown

Mainly the loss related to consolidated subsidiaries,
which is eliminated on a consolidated basis.(-¥24.8 billion)

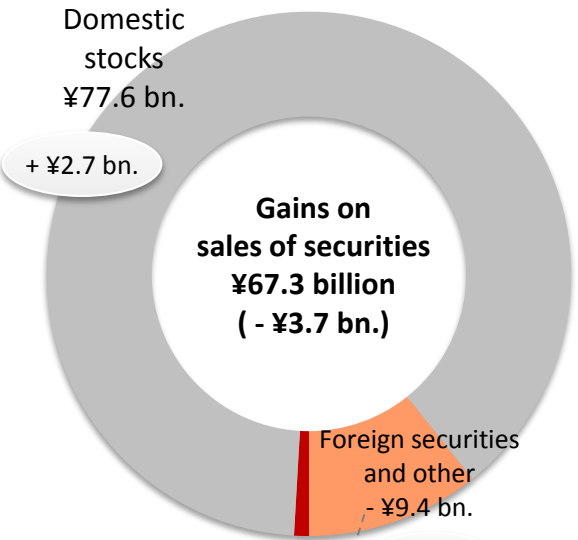
(Reference) Breakdown of Investment Profit

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

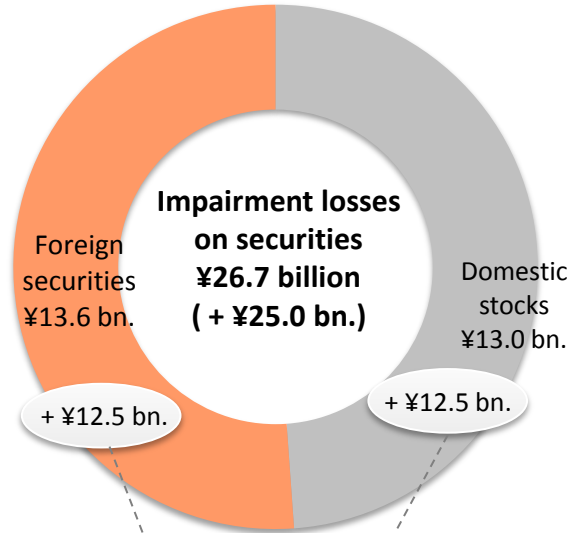


Mainly due to the rebound from a gain on cancellation of funds in FY2016.
(- ¥4.2 bn.)

Mainly due to rebound of realized gains on sale of Japanese government bonds in the low-interest rate environment in FY2016.



The loss on sale of Sompo Canopus, which is mostly eliminated on a consolidated basis.
(- ¥10.9 bn.)



The loss related to consolidated subsidiaries, which is eliminated on a consolidated basis.

○ Changes from FY2016

Business Forecasts for FY2018 – Sompo Japan Nipponkoa

(Billions of yen)	FY2017 (Actual)	FY2018 (Forecasts)	Change
Net premiums written	2,168.0	2,146.0	-22.0 (-1.0%)
(excl. CALI, household earthquake)	1,876.0	1,863.5	-12.4 (-0.7%)
Net premiums earned (excl. CALI, household earthquake)	1,882.1	1,872.8	-9.2 (-0.5%)
Loss ratio	64.4%	64.1%	-0.3pt
(excl. CALI, household earthquake)	62.0%	61.5%	-0.5pt
E/I loss ratio (excl. CALI, household earthquake)	61.7%	60.2%	-1.5pt
Net expense ratio	32.3%	32.0%	-0.3pt
(excl. CALI, household earthquake)	34.0%	33.6%	-0.4pt
Combined ratio	96.7%	96.1%	-0.6pt
(excl. CALI, household earthquake)	95.9%	95.0%	-0.9pt
Underwriting profit	94.8	128.0	+33.1 (+35.0%)
Investment profit	97.8	142.1	+44.3 (+45.3%)
Ordinary profit	175.2	250.0	+74.7 (+42.7%)
Net income	170.0	187.0	+16.9 (+10.0%)
(Reference) Adjusted profit			
+ Provisions for catastrophic loss reserve (after tax)	-12.8	-7.3	+5.5
+ Provisions for reserve for price fluctuation (after tax)	7.5	3.0	-4.4
- Gains/losses on sales of securities and impairment losses on securities (after tax)	29.1	36.1	+6.9
- Special factors (after tax)*	47.6	25.9	-21.6
Adjusted profit	87.8	120.6	+32.8 (+37.4%)

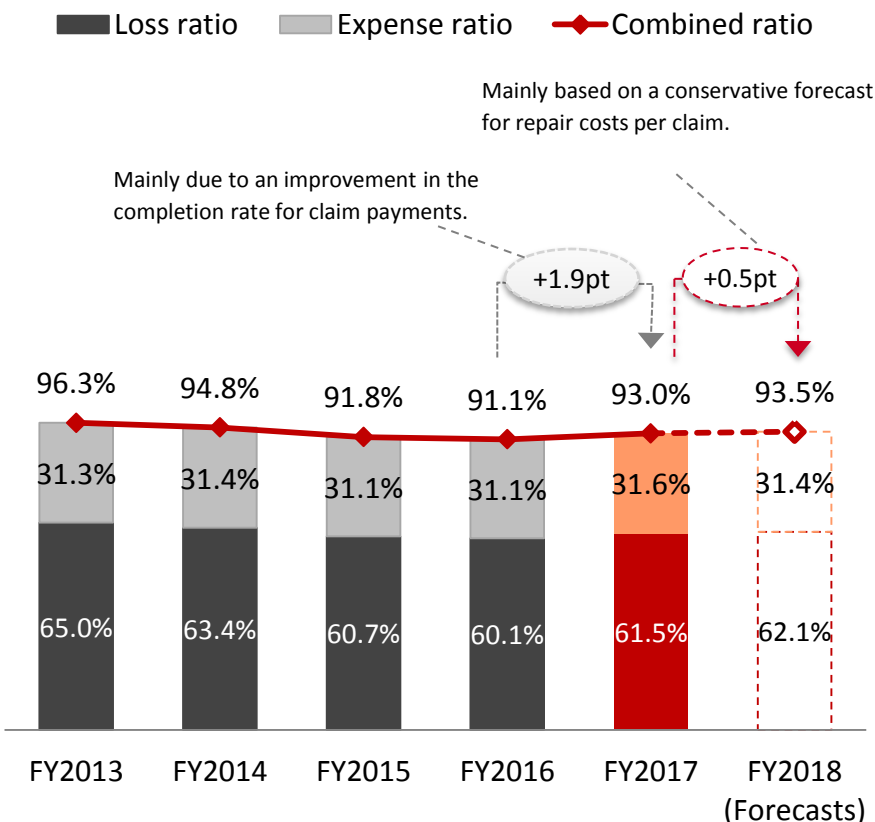
* Special factors are a decrease in tax expenses in connection with the reorganization of SI, etc., loss on sale of fixed assets, gains /losses related to stock future and dividend from consolidated subsidiaries, etc.

Assumption of Business Forecasts for FY2018

Losses from domestic natural disasters (occurring in the fiscal year)	¥48.0 billion
Catastrophic loss reserve	Net reversal : ¥10.1 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 : ¥21,454 (Interest yield) 10y JGB : 0.05% (Foreign exchange) 1US\$: ¥106.24 1Euro : ¥130.52 <small>* Assumptions for market indicators are based on ones as of end of March 2018.</small>
Interest and dividend income	Gross : ¥131.5 billion Net : ¥92.4 billion
Realized gains on securities	Realized gains on security sales : ¥51.1 billion Impairment losses on securities : ¥1.0 billion
Reserve for price fluctuation	Net provision : ¥4.2 billion

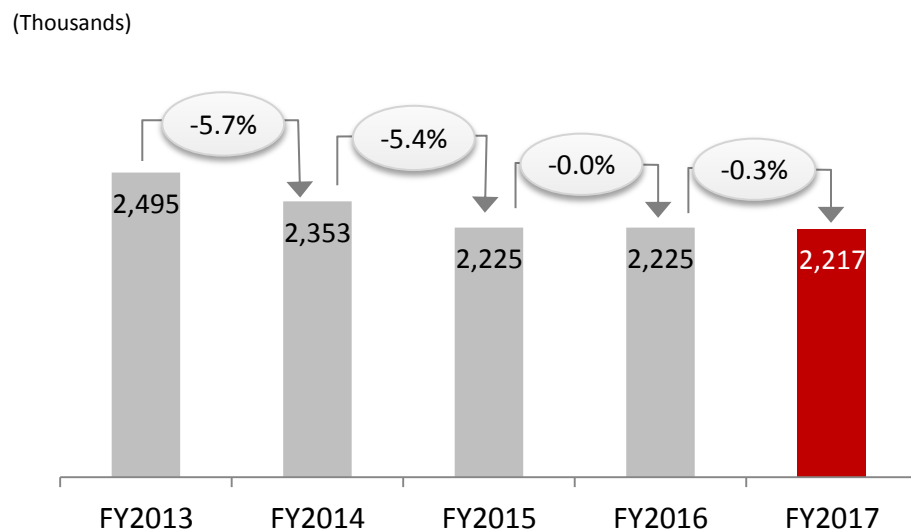
(Reference) Related Indicators of Automobile Insurance

Combined ratio



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

The number of reported claims

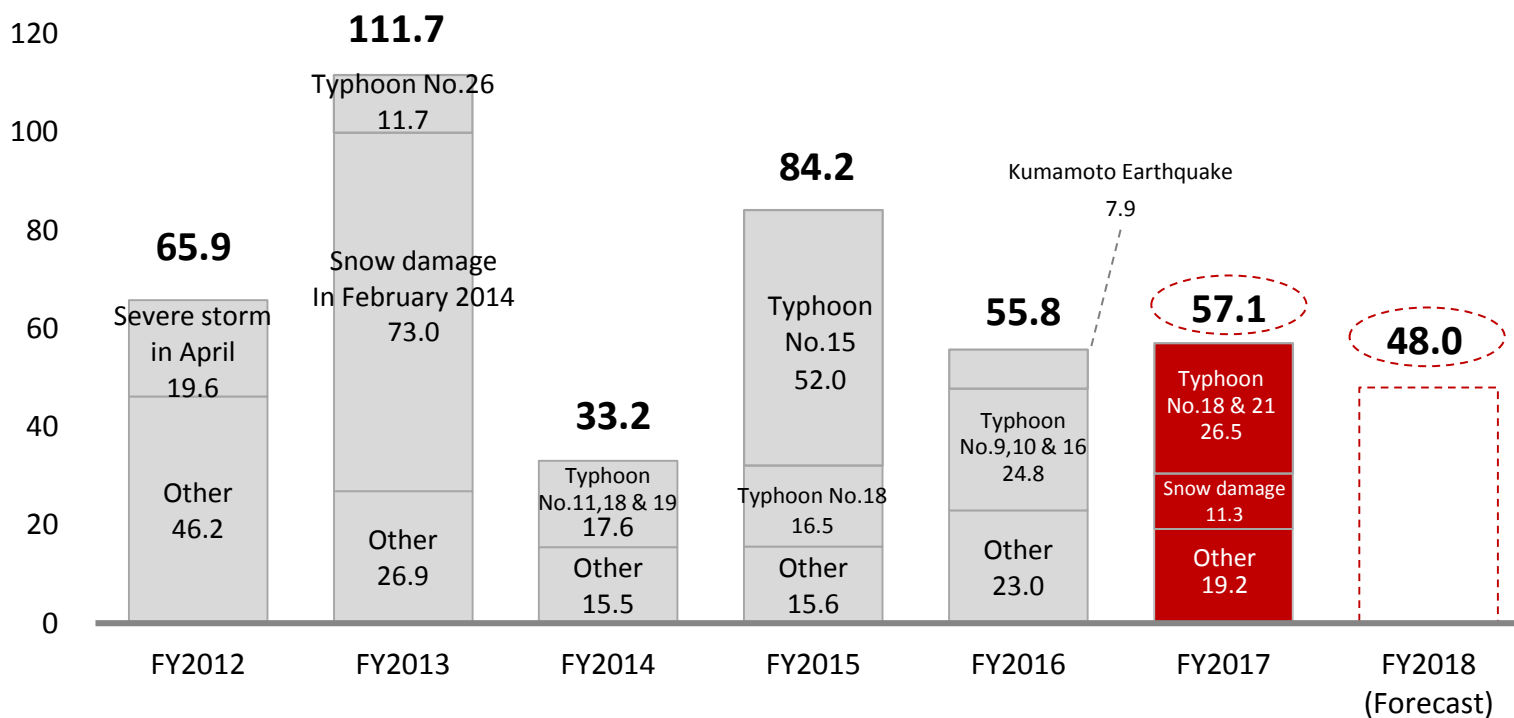


* Exclude certain natural disasters, whose incurred loss exceeds certain threshold.

(Reference) Domestic Natural Disasters

Trends of net loss occurred for domestic natural disasters (events that occurred in the fiscal year)

(Billions of yen)



* Excluding CALI, household earthquake.

(Reference) Fund and Reserve

Underwriting reserves and reserve for outstanding losses and claims (at the end of 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	737.0	-10.0	155.9	-19.3	119.7	-5.2
Marine	20.4	+1.4	49.5	+1.4	23.8	-2.0
Personal accident	124.9	+1.5	70.6	-0.1	64.7	-1.5
Voluntary automobile	311.8	+1.1	60.1	-8.7	398.6	-11.4
CALI* ²	429.3	+10.2	-	-	80.3	-4.3
Other	322.9	+7.8	210.0	+8.9	220.0	+19.2
Total	1,946.6	+12.1	546.2	-17.9	907.4	-5.3
Total (excluding CALI and household earthquake)	1,508.3	+1.5	546.2	-17.9	827.0	-0.9
	Amount	Change				
Reserve for saving-type products* ³	1,365.9	-83.5				

*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

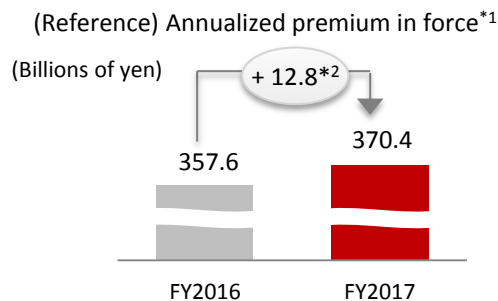
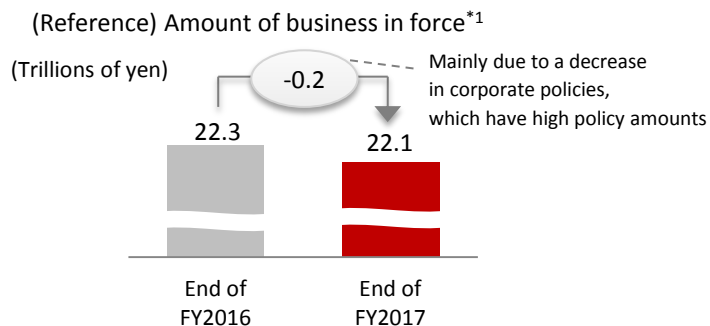
6. ERM & asset management

Overview of FY2017 Results – Himawari Life

- ◆ Ordinary profit and net income were mostly unchanged year on year as growth in premium and other income was offset by an increase in provision for policy reserve.
- ◆ Net income in FY2018 is expected to increase by ¥3.8 billion to ¥12.0 billion, mainly due to continued growth in policies in force.

Major indicators

(Billions of yen)	FY2016	FY2017	Change		FY2018 (Forecasts)	Change	
Annualized new premium	50.2	35.8	-14.3	(-28.6%)	42.3	+6.4	(+18.0%)
Premium and other income	419.5	438.4	+18.9	(+4.5%)	452.0	+13.5	(+3.1%)
Expense	104.3	95.5	-8.7	(-8.4%)	99.6	+4.0	(+4.3%)
Investment profit	45.2	45.0	-0.1	(-0.4%)	45.3	+0.3	(+0.7%)
of which, general account	43.3	43.5	+0.1	(+0.4%)	44.7	+1.1	(+2.7%)
Basic profit	16.5	17.5	+1.0	(+6.4%)	22.9	+5.3	(+30.6%)
Ordinary profit	16.8	16.7	-0.1	(-0.9%)	21.9	+5.2	(+31.1%)
Net income	8.3	8.1	-0.2	(-2.4%)	12.0	+3.8	(+47.8%)
Adjusted profit	29.1	29.2	+0.0	(+0.3%)	Over 32.0	+2.7	(+9.6%)



*1 The sum of individual insurance and individual annuities.

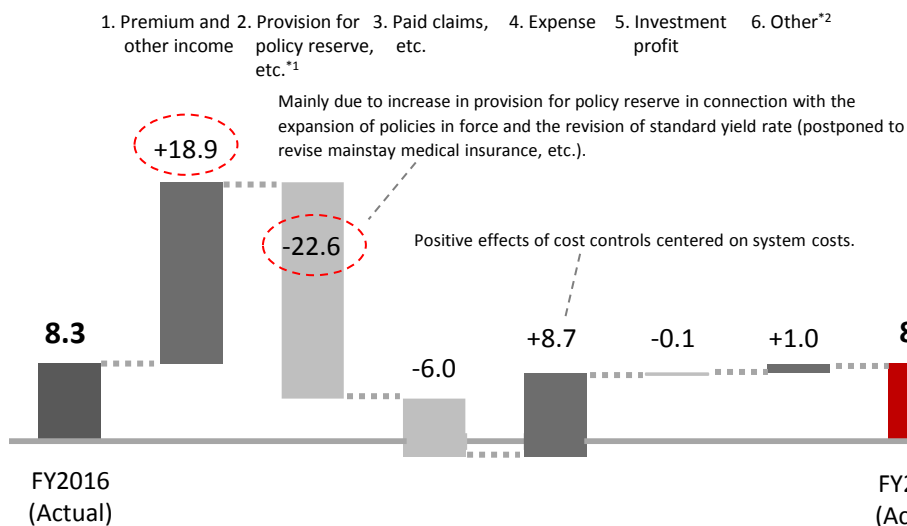
*2 Of which protection-type + ¥7.2 bn.

Net Income – J-GAAP

- ◆ Net income in FY 2017 was mostly the same as the previous fiscal year, mainly due to steady growth in premium and other income, despite an increase in provision for policy reserve.
- ◆ Net income in FY 2018 is expected to improve, mainly due to premium and other income increasing.

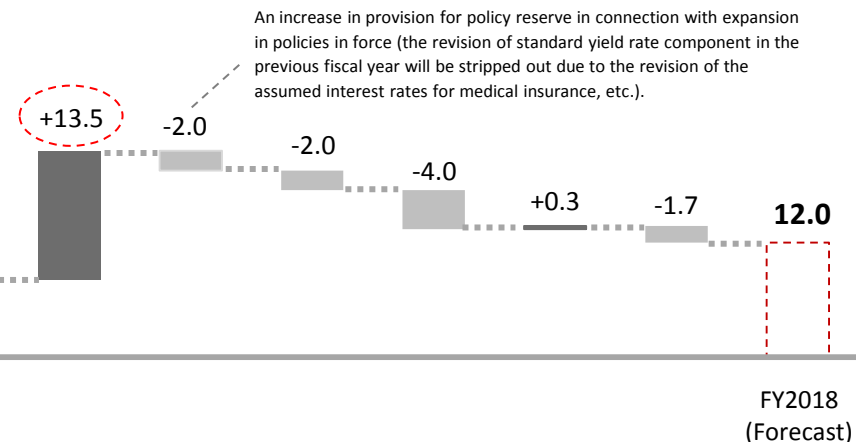
Changing factors of net income (FY2017, Actual)

(Billions of yen)



Changing factors of net income (forecast for FY2018)

1. Premium and other income
2. Provision for policy reserve, etc.^{*1}
3. Paid claims, etc.
4. Expense
5. Investment profit
6. Other^{*2}



	1. Premium and other income	2. Provision for policy reserve, etc.	3. Paid claims, etc.	4. Expense	5. Investment profit	6. Other	Net income
FY2016 Actual	¥419.5 billion	- ¥280.5 billion	- ¥60.4 billion	- ¥104.3 billion	¥45.2 billion	- ¥11.0 billion	¥8.3 billion
FY2017 Actual	¥438.4 billion	- ¥303.2 billion	- ¥66.5 billion	- ¥95.5 billion	¥45.0 billion	- ¥10.0 billion	¥8.1 billion
FY2018 Forecasts	¥452.0 billion	- ¥305.3 billion	- ¥68.6 billion	- ¥99.6 billion	¥45.3 billion	- ¥11.7 billion	¥12.0 billion

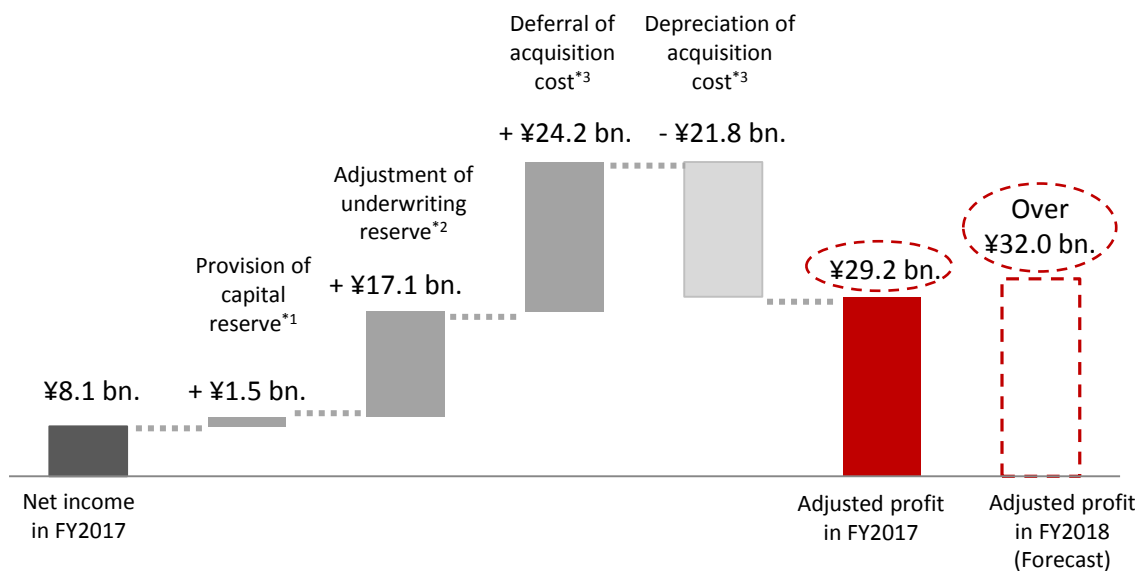
*1 Include the impact of cancellation refund.

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

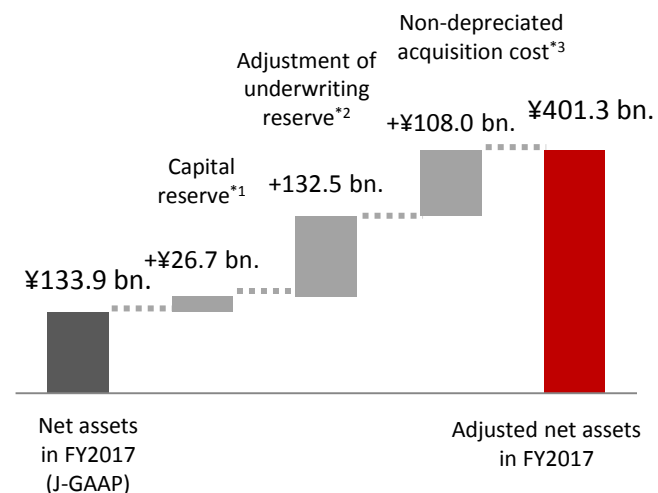
(Reference) Adjusted Profit and Adjusted Net Assets

- ◆ In FY2017, adjusted profit exceeded the initial plan (¥28.0 billion) and amounted to ¥29.2 billion due to expansion of policies in force, etc.
- ◆ In FY2018, adjusted profit is expected to increase by ¥3.8 billion over ¥32.0 billion, mainly based on a continued steady accumulation of policies in force.

Conversion from net income to adjusted profit



(Reference) Adjusted net assets



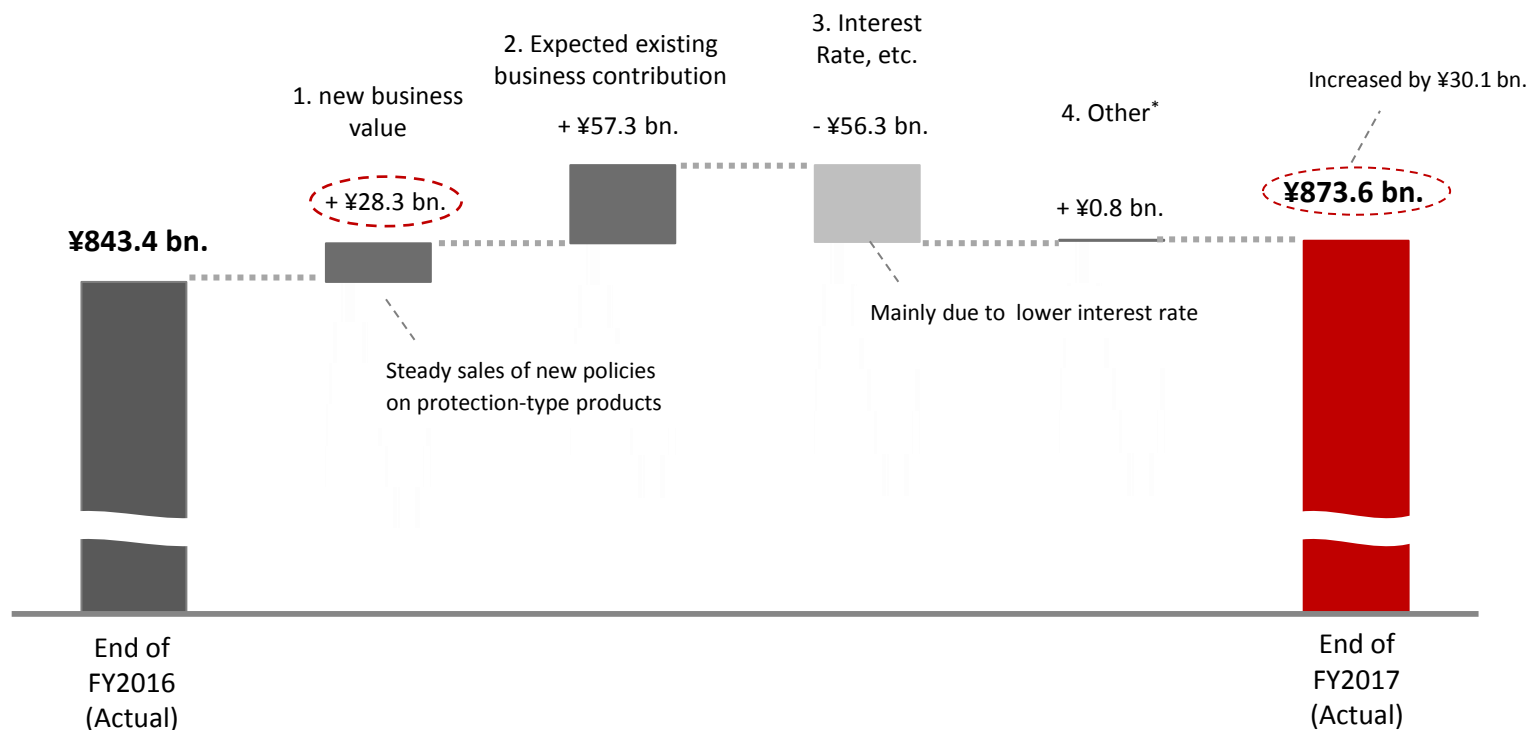
*1 Contingency reserve and reserve for price fluctuation (after tax).

*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).

(Reference) MCEV

Changing factors of MCEV



* Due to paid dividend, changing assumption of cancelation ratio, etc. and internal modeling on cost of residual non hedgeable risks.

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 FY2017 Results – Nursing Care & Healthcare, etc.

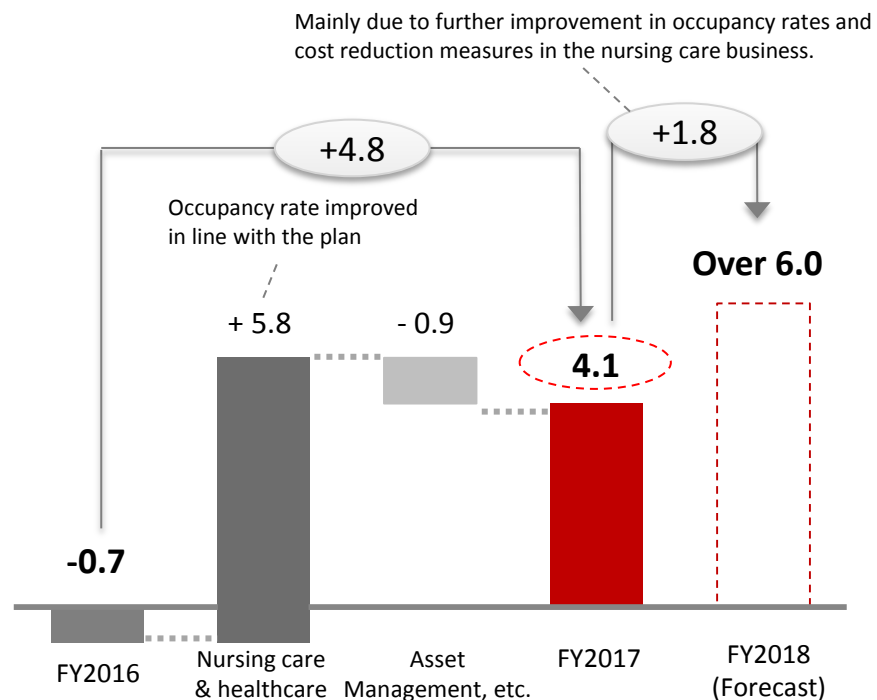
- ◆ Achieved profitability in the nursing care business mainly due to improved occupancy rates. Net income increased by ¥5.9 billion to ¥2.9 billion.
- ◆ In FY2018, net income is expected to increase by ¥1.2 billion to ¥4.2 billion, mainly based on further improvement in occupancy rates and cost savings.

Results of two major nursing care operating companies*1

Changing factors of adjusted profit (Nursing Care & Healthcare, etc.)*3

(Billions of yen)	FY2017		FY2018
	(Actual)	(Change)	(Forecasts)
Sales	119.2	+8.3	123.2
(SOMPO Care)	77.9	+4.5	-
(SOMPO Care Next)	41.2	+3.8	-
Net income	2.9	+5.9	4.2
(SOMPO Care)	1.9	+3.9	-
(SOMPO Care Next)	1.0	+1.9	-
Occupancy rate (SOMPO-no-le)*2	91.7%	+4.3pt	93.5%
(SOMPO-no-le S)*2	90.0%	+6.3pt	91.0%
(La vie Re)*2	85.3%	+5.2pt	88.8%

(Billions of yen)



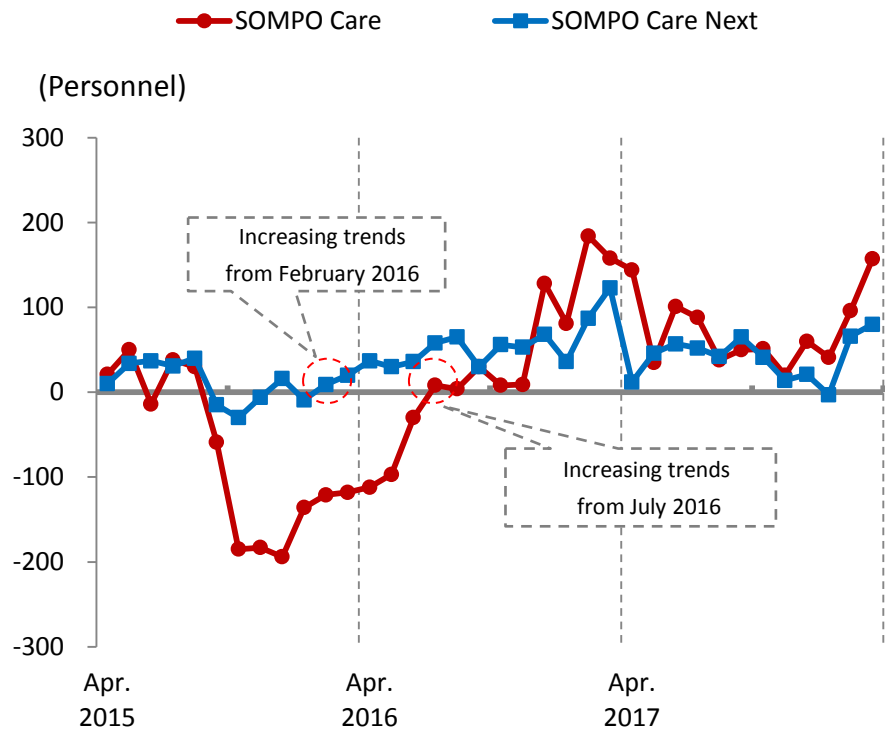
*1 SOMPO Care and SOMPO Care Next. These are scheduled to merge in July 2018.

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

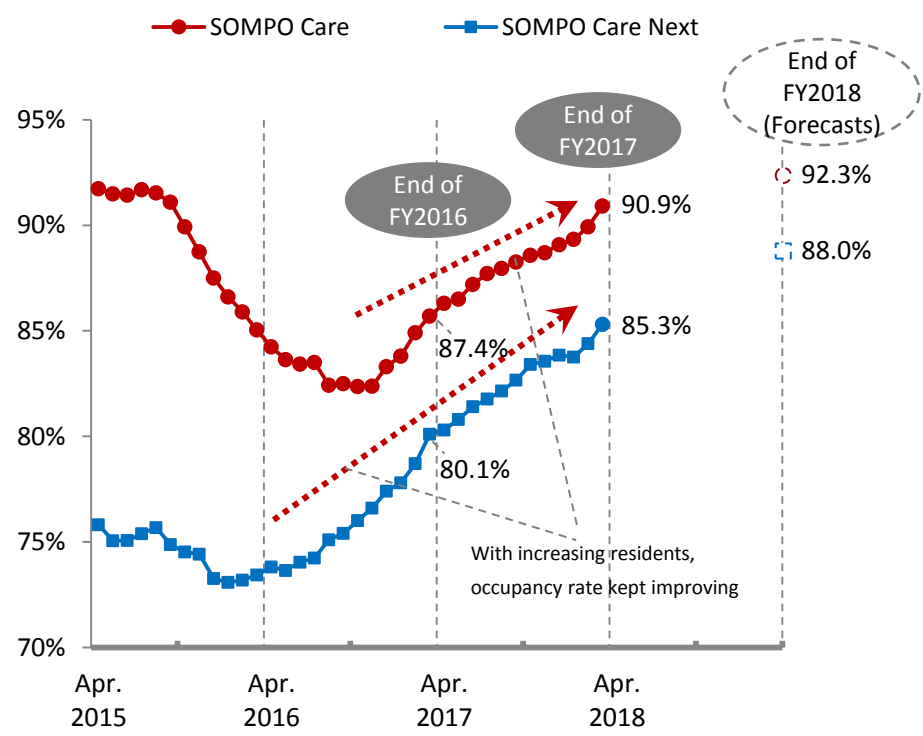
*3 Nursing care & healthcare business is the sum of SOMPO Care, SOMPO Care Next and asset management, etc. (from FY2017).

(Reference) Major Indicators 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

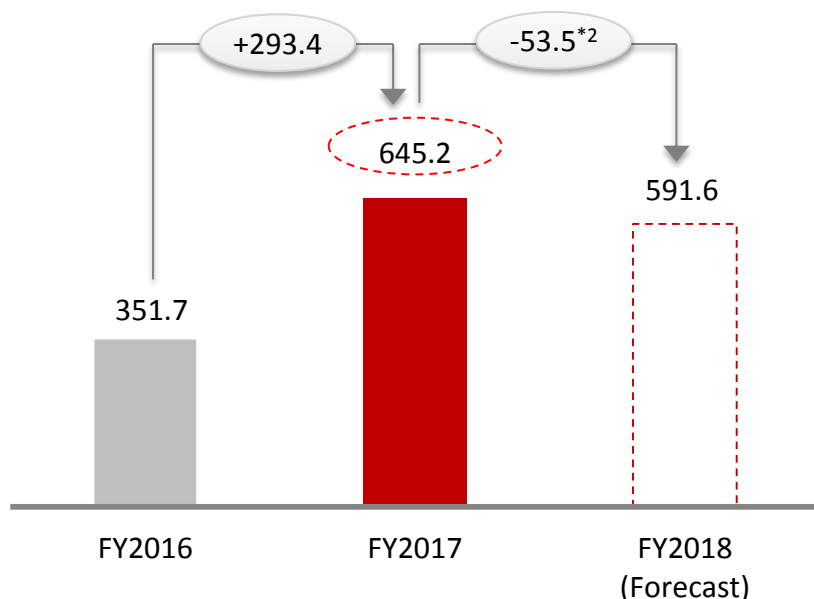
6. ERM & asset management

Overview of FY2017 Results – Overseas Insurance

- ◆ In FY2017, earnings increased by covering the impact of hurricanes in North America, etc., with a decrease in tax expenses in connection with reorganization of SI, etc.
- ◆ In FY2018, adjusted profit is expected over ¥63.0 billion, mainly due to stripping out the impact of hurricanes in North America, etc. and organic growth at SI.

Net premiums written*1

(Billions of yen)

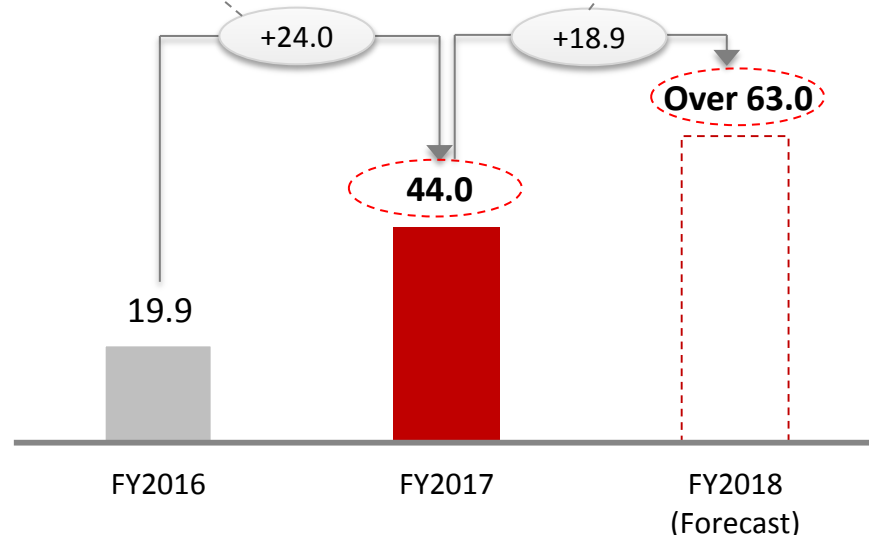


Adjusted profit*1

(Billions of yen)

Positive contribution from a decrease in tax expenses in connection with the reorganization of SI, etc., despite the impact of hurricanes in North America, etc.

Mainly due to stripping out one-time factors in FY2017 and organic growth in insurance business at SI.



*1 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).

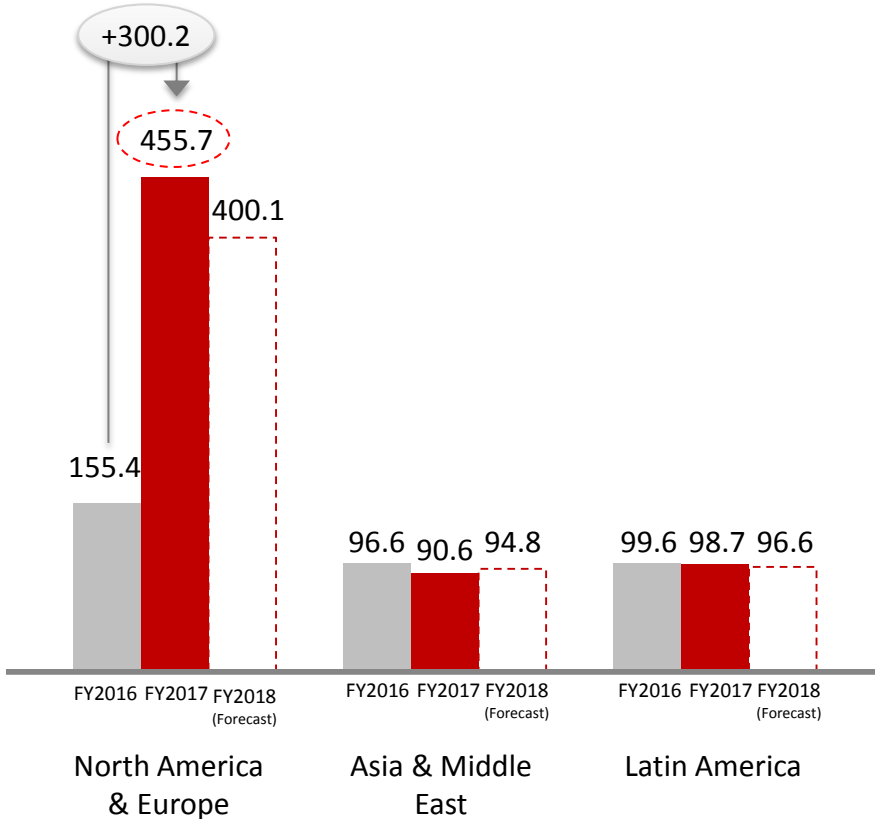
*2 Due to sales of Sompo Canopus, stripping out contribution of Sompo Canopus. Net premiums written from Sompo Canopus in FY2017 was ¥129.7 bn. and adjusted profit was - ¥26.8 bn. (Net premiums written from Sompo Canopus in FY2016 was ¥133.2bn., and adjusted profit was ¥5.9bn.)

Business Results by Region

- ◆ Due to the consolidation of P/L of SI, net premiums written in North America & Europe increased in FY2017.
- ◆ In FY2017, adjusted profit increased in North America & Europe as well as in Turkey.
- In FY2018, adjusted profit is expected to increase, primarily in North America & Europe.

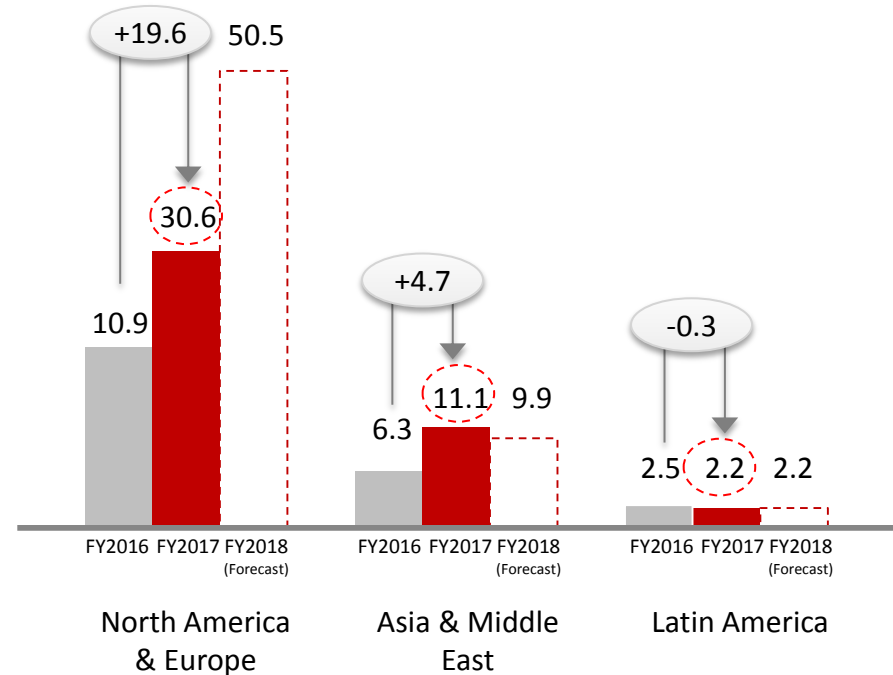
Net premiums written (by region)

(Billions of yen)



Adjusted profit (by region)

(Billions of yen)



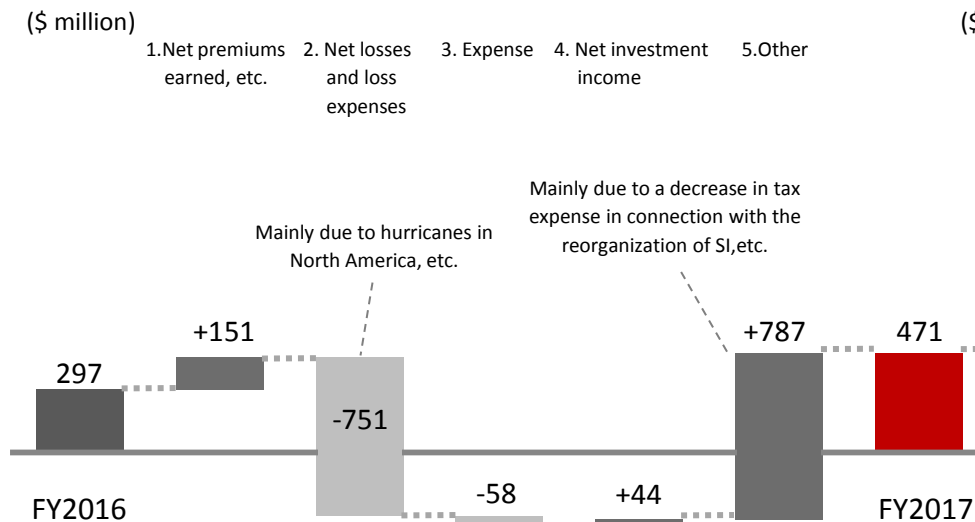
(Reference) Business Results by Company

(Billions of yen)		Net Premiums written			Adjusted profit			Key points	(Reference) Exchange rate	
		FY2017	Change	FY2018 (Forecasts)	FY2017	Change	FY2018 (Forecasts)		Dec. 2017 (YoY Change)	
North America & Europe	SI	303.2	+303.2	399.0	53.2	+53.2	50.8	In FY2018, it is expected to improve due to stripping out one-time factors and organic growth in insurance business	113.00 JPY/USD	(-3.0%)
	Sompo America	21.5	+0.3	Integrated by SI	3.2	-0.7	Integrated by SI	In FY2017, the impact of hurricanes in North America, etc.	113.00 JPY/USD	(-3.0%)
	SJNK Europe	1.2	+0.2	1.1	0.9	-0.0	-0.3	In FY2018, integration costs with SI and related expenses are expected.	151.95 JPY/GBP	(+6.3%)
	Sompo Canopus	129.7	-3.4	Sold 100% of the shares	-26.8	-32.8	Sold 100% of the shares	In FY2017, adjusted profit decreased mainly due to the impact of hurricanes in North America, etc.(¥25.8 bn.) (Sold 100% of the shares in March 2018).	113.00 JPY/USD	(-3.0%)
Asia & Middle East	SJ Sigorta (Turkey)	45.5	-13.2	42.5	8.3	+3.8	6.7	Positive contributions from a improving loss ratio and investment profit in FY2017. In FY2018, the loss ratio is expected conservatively.	29.90 JPY/TRY	(-9.7%)
	Sompo Singapore	7.3	+0.9	7.7	1.1	+0.0	0.8	Basically in line with the plan.	84.49 JPY/SGD	(+4.8%)
	Berjaya Sompo (Malaysia)	11.9	+0.9	15.5	0.9	-0.0	1.0	Strengthening bancassurance with CIMB in FY2018.	27.79 JPY/MYR	(+7.0%)
	Sompo Indonesia	5.6	+1.6	8.9	-0.1	-0.5	0.4	Investment profit was below plan in FY2017, while it is expected to improve in FY2018 through measures such as curtailing expenses.	0.0084 JPY/IDR	(-3.4%)
	Sompo China NK China	5.6	+0.1	5.3	-0.1	+0.9	0.1	While the impact of Typhoon No.13, basically in line with the plan.	17.29 JPY/RMB	(+3.2%)
	Sompo Hong Kong	3.3	-0.1	3.2	0.5	+0.1	0.4	Basically in line with the plan.	14.46 JPY/HKD	(-3.7%)
	Universal Sompo (India)	5.9	+2.9	7.4	1.2	+1.0	0.2	In FY2017, crop insurance and automobile insurance performed favorably. In FY2018, underwriting profit in crop insurance is expected conservatively.	1.65 JPY/INR	(-4.1%)
Latin America	Sompo Seguros (Brazil)	98.3	-0.9	96.6	1.9	-0.2	2.2	In FY2017, the bottom line improved, following the execution of measures to improve the loss ratio, including changes in underwriting conditions.	34.11 JPY/BRL	(-4.7%)
Other (non-consolidated)*		5.8	-3.1	3.9	-0.4	-1.1	0.1	—	—	-
Total		645.2	+293.4	591.6	44.0	+24.0	Over 63.0	—	—	-

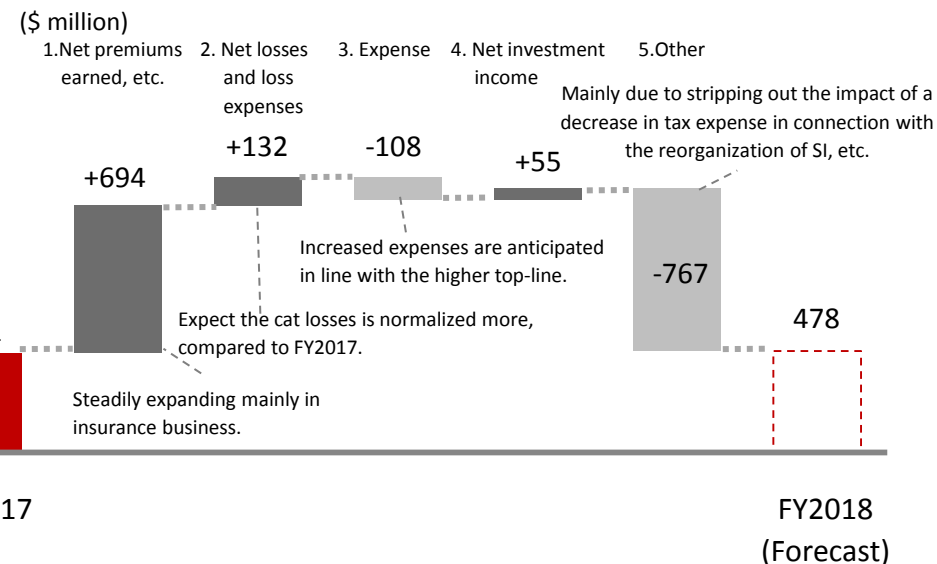
* Sum of Sompo Thailand, PGA Sompo (Philippines), United Insurance (Vietnam) and Sompo Mexico.

(Reference) Overview of Business Results of SI (1)

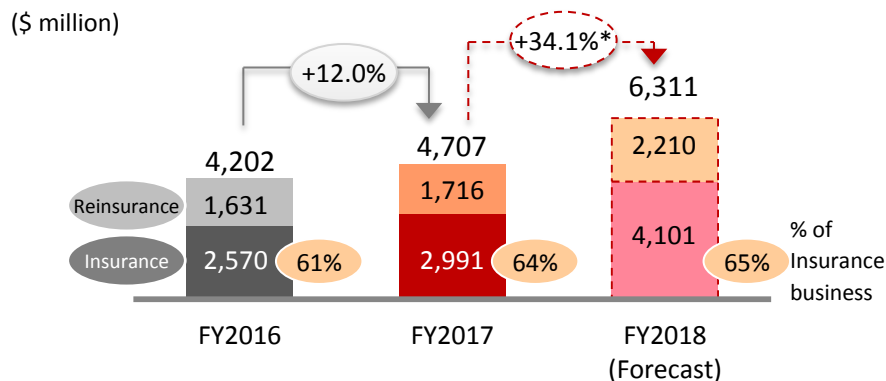
Change factors of adjusted profit (FY2017, Actual)



Change factors of adjusted profit (forecast for FY2018)

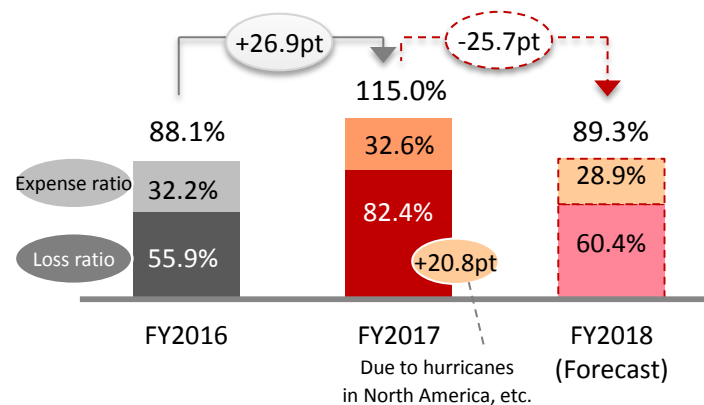


Gross premiums written



* Incl. the effects on the integration with Sompo America, bolt-on M&A, etc. (around +13%)

Combined ratio



* One-time merger cost is excluded as a special factor in expense ratio and combined ratio in FY2017. The denominator of loss ratio, expense ratio and combined ratio is net premiums earned.

(Reference) Overview of Business Results of SI (2)

(\$ million)	FY2016	FY2017		FY2018		
	(Actual)	(Actual)	Change	(Forecasts)	Change	
Gross premiums written	4,202	4,707	+505	6,311	+1,604	→ Including the effects on the integration with Sompo America, bolt-on M&A, etc.
Net premiums written	2,369	2,683	+313	3,755	+1,072	
Net premiums earned	2,363	2,515	+151	3,209	+694	→ Steadily expanding mainly in insurance business.
Net losses and loss expenses	1,321	2,073	+751	1,940	-132	
Expense ^{*1}	760	819	+58	927	+108	
Loss ratio ^{*1}	55.9%	82.4%	+26.5pt	60.4%	-22.0pt	
Expense ratio ^{*1}	32.2%	32.6%	+0.4pt	28.9%	-3.7pt	→ Mainly due to growth in net premiums earned with expense management.
Combined ratio ^{*1}	88.1%	115.0%	+26.9pt	89.3%	-25.7pt	
Underwriting income	281	-434	-715	353	+788	→ Impact of hurricanes in North America, etc. to underwriting income: - \$510 mn.
Net investment income	176	221	+44	277	+55	
Net income (After Preferred dividend)	333	-234	-568	478	+713	
(Reference) Adjusted profit						
+) Net foreign exchange gains	-74	+11	+85	-	-11	
+) Net realized and unrealized gains, net impairment losses, etc.	+23	-29	-52	-	+29	
+) Income tax expense	+16	-13	-29	-	+13	
+) One-time merger cost	-	+56	+56	-	-56	
+) A decrease in tax expense in connection with reorganization, etc.	-	+681	+681	-	-681	
Adjusted profit	297	471	+173	478	+7	

*1 The denominator of loss ratio, expense ratio and combined ratio is net premiums earned.

One-time merger cost is excluded as a special factor in expense, expense ratio and combined ratio in FY2017.

*2 Impact of US tax reform (FY2017): around + ¥0.5 billion (due to reversal of deferred tax liabilities, consolidated), only a limited impact from FY2018 onward.

(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.

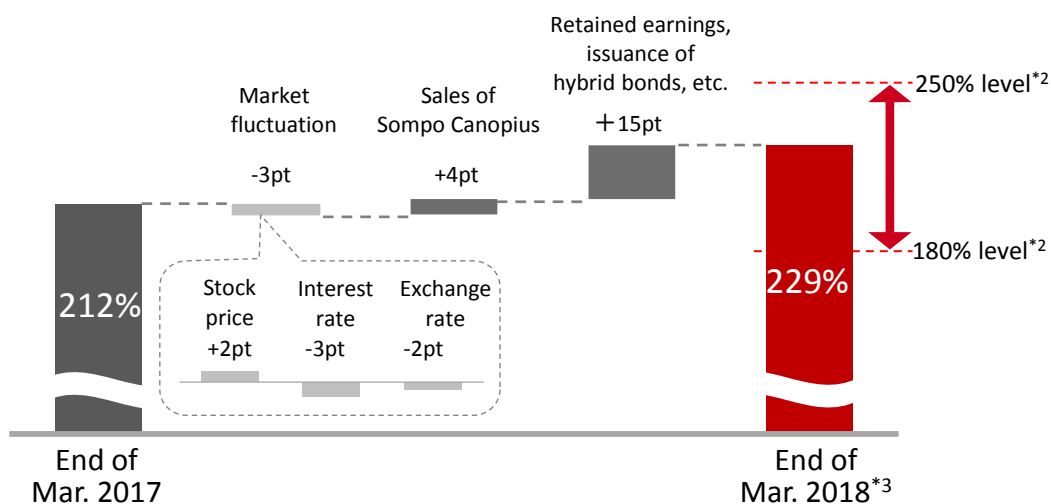
5. Overseas insurance

6. ERM & asset management

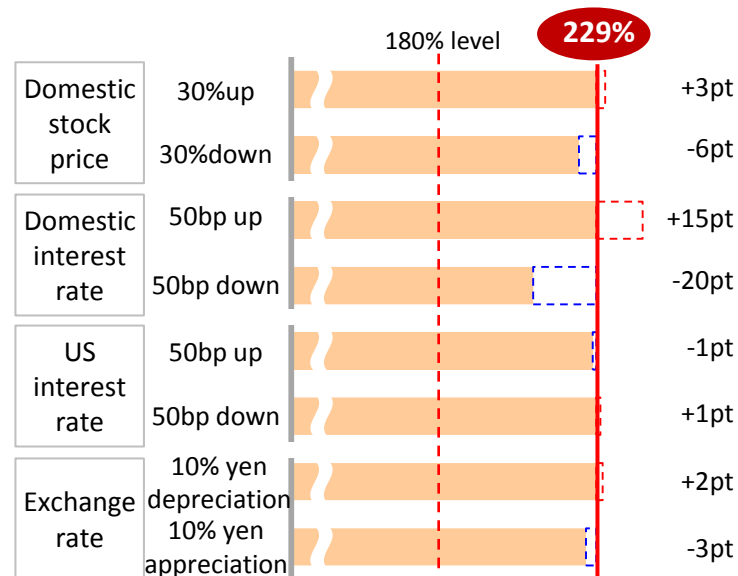
Financial Soundness – ESR (99.5%VaR)

◆ Maintained a robust financial base by steadily evolving ERM management.

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.

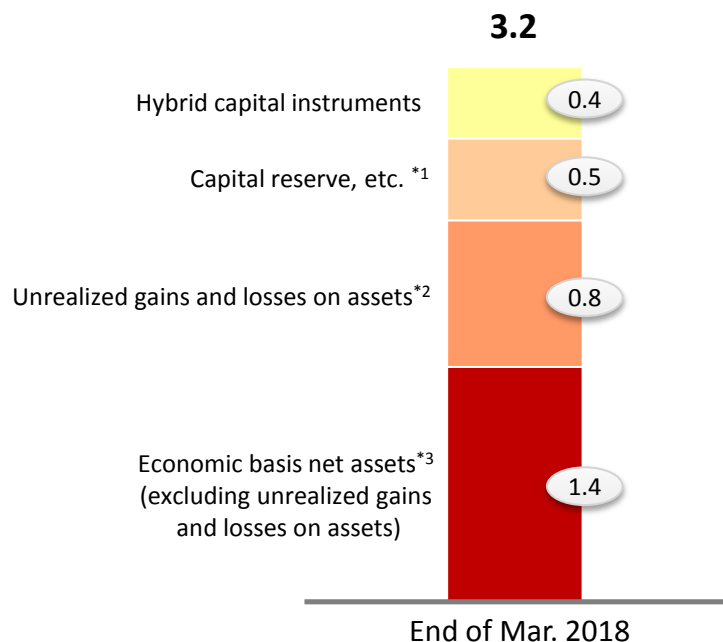
*3 (Reference) ESR (99.95%VaR) at the end of March 2018: 157%
(Target range under this standard was around 120% to 170%)

(Reference) Market indicators	End of Mar. 2017	End of Mar. 2018	
Domestic stock price (Nikkei 225)	¥18,909	¥21,454	(+13.5%)
Domestic interest rate (30y JGB)	0.85%	0.74%	(-11bp)
US interest rate	2.39%	2.73%	(+35bp)
Exchange rate (JPY/USD)	¥112.19/USD	¥106.24/USD	(-5.3%)
Exchange rate (JPY/EUR)	¥119.79/EUR	¥130.52/EUR	(+9.0%)

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

Adjusted capital

(Trillions of yen)



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

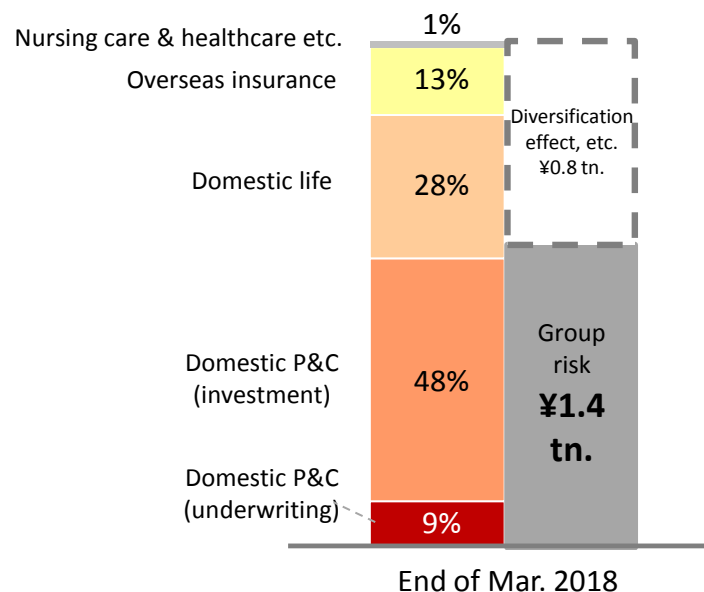
*2 Unrealized gains and losses on securities, etc., including non mark-to-market assets (e.g. policy reserve matching bonds).

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

(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

Risk amount*4



*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:

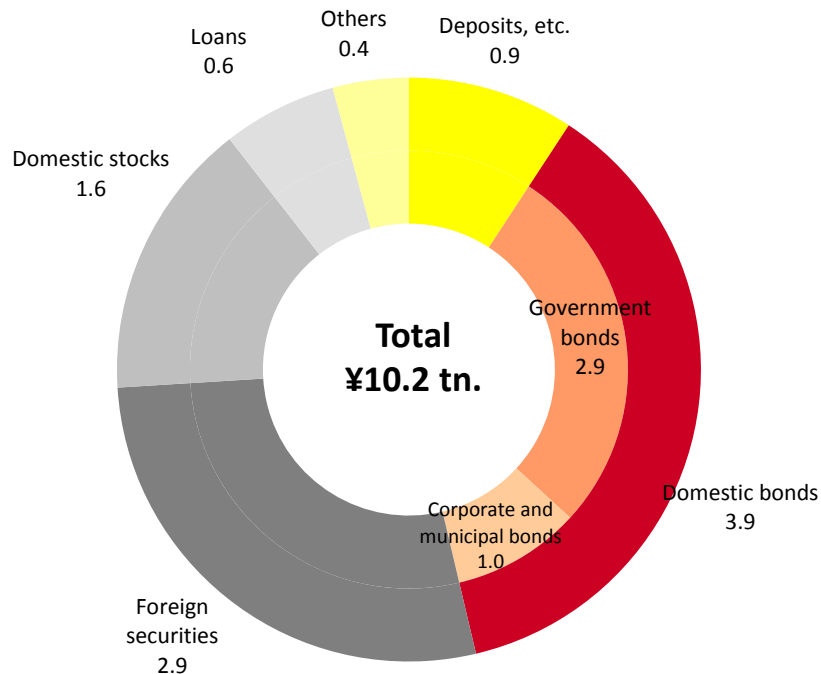
Sum of risk amount of each business less risk diversification effect among businesses and tax impact.

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 March 2018)

(Trillions of yen)



Investment assets by company

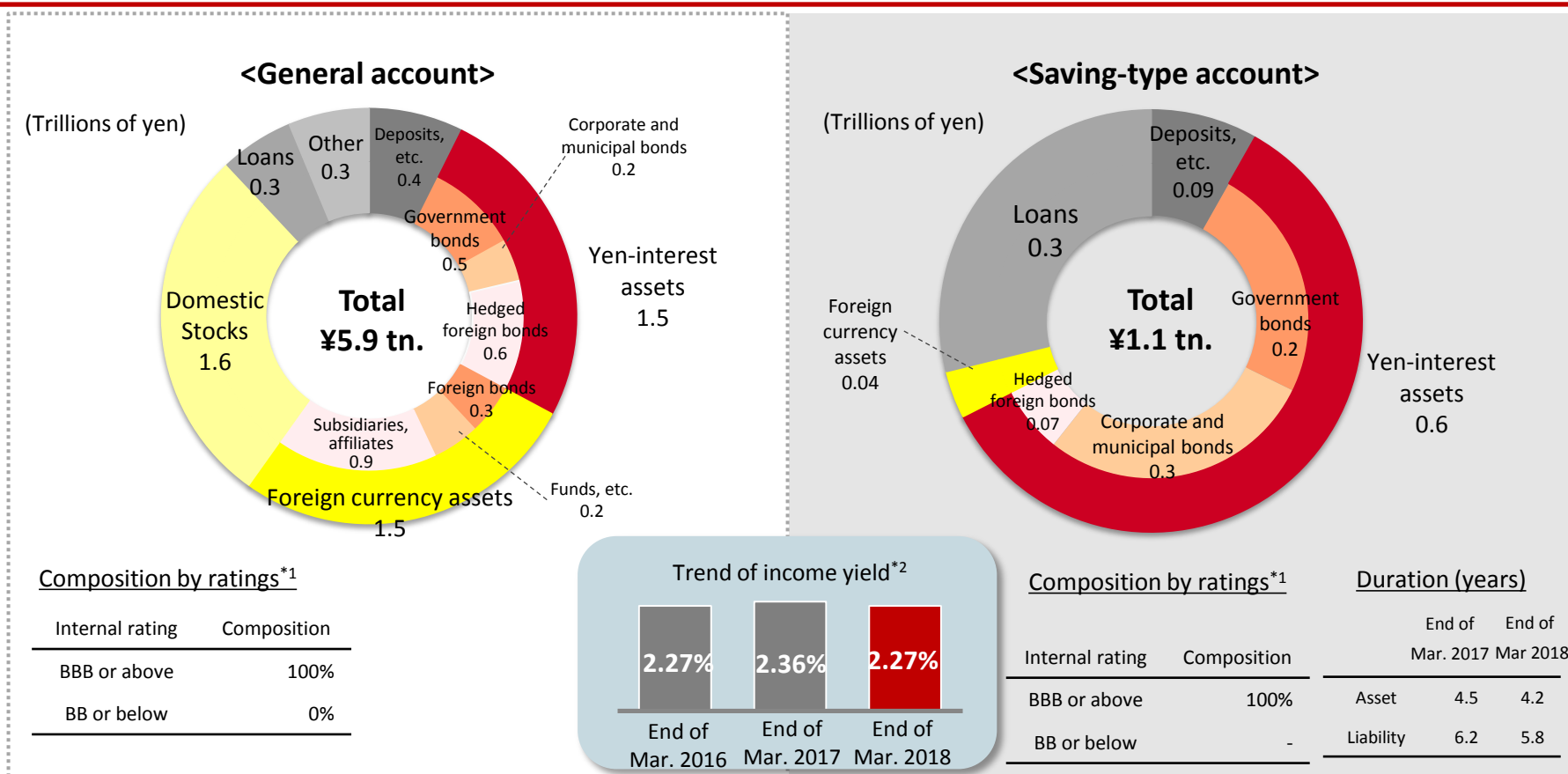
(Billions of yen)	Amount of investment assets	Composition
Sompo Japan Nipponkoa	5,960.2	56.4%
Himawari Life (General account)	3,008.8	28.5%
Overseas group subsidiaries	1,458.2	13.8%
(Of which, SI)	(1,025.6)	(9.7%)
Saison Automobile & Fire	45.7	0.4%
Sonpo 24	22.8	0.2%
Other domestic subsidiaries	63.4	0.6%
Total	10,559.3	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.

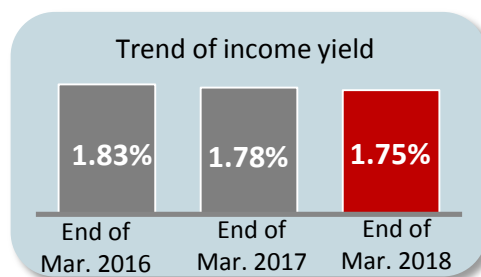
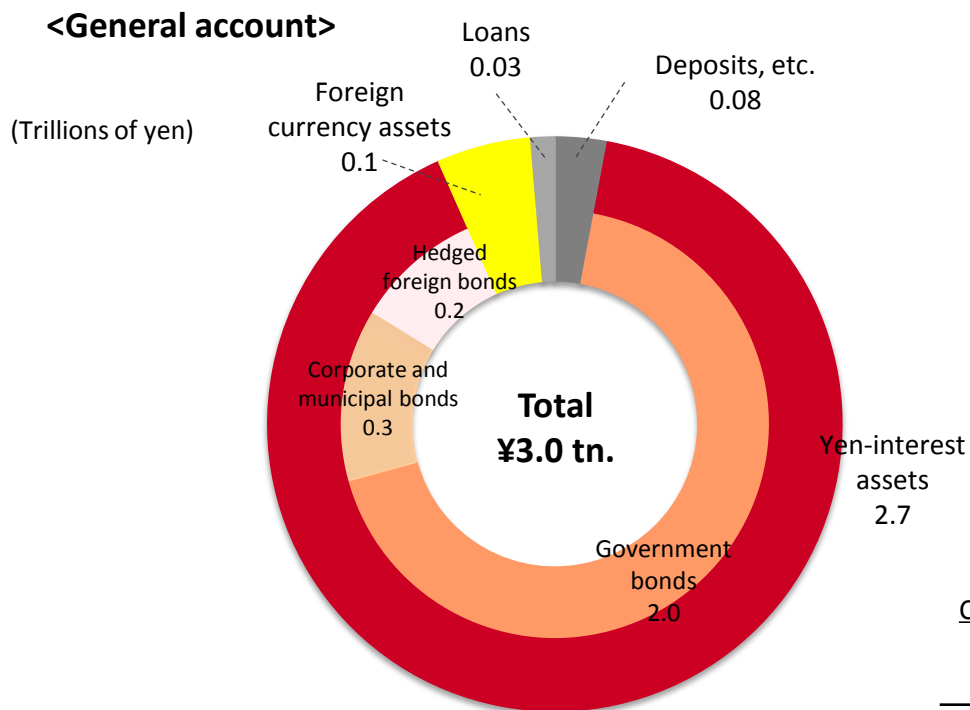
Amount of investment assets (end of March 2018, Sompo Japan Nipponkoa, non-consolidated)



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 March 2018, Himawari Life, non-consolidated)



Composition by ratings*

Internal rating	Composition
BBB or above	100%
BB or below	-

Duration (years)

	End of Mar. 2017	End of Mar. 2018
Asset	13	13
Liability	21	23

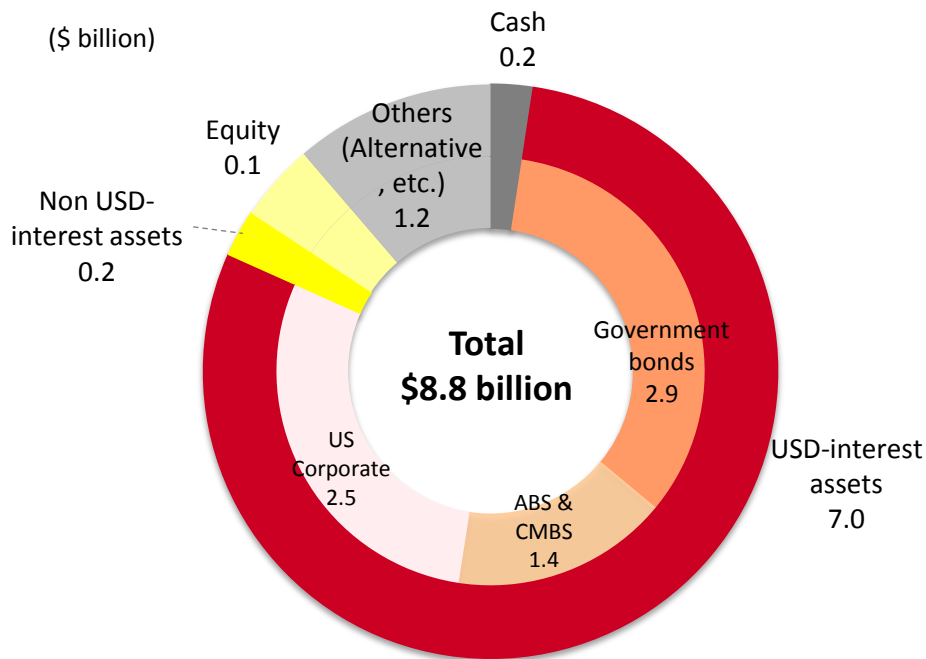
(Reference) Amount of separate account (End of Mar. 2018): ¥22.7 billion
(mainly investment in domestic stocks and bonds in the separate account)

* Total of yen-interest assets and foreign currency bonds

Asset Portfolio - SI

- ◆ Emphasis on liquid, high quality assets to meet company liabilities.
- ◆ While investing in USD-interest assets at the base, maximizing risk adjusted returns by adjusting allocations.

Amount of investment assets (end of December 2017, SI, consolidated)



Composition by ratings

Rating	Composition
BBB or above	92%
BB or below	8%

Duration (years)

	End of Dec. 2016	End of Dec. 2017
Asset	3.4	3.6
Liability	2.6	2.9

(Reference) Income yield * in FY2017 : 2.85%

*Incl. Changes in unrealized gains and losses on certain funds, etc.

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.

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