
FY2013 1st Half Results and Business Strategy

November 26, 2013

NKSJ Holdings, Inc.

- Based on the recent improvement trend, the Company has revised upwards its full-year business forecasts.
 - Ordinary profit: ¥138 billion (+ 32% year on year), net income ¥72 billion (+ 65% year on year)
 - Adjusted consolidated profit (forecast): ¥128 billion ⇔ FY2015 target: ¥180-210 billion
- Improvement in the combined ratio in domestic property and casualty (P&C) insurance is outpacing the management plan. Reflecting the current conservative estimate for the second half of FY2013, as regards the improvement plan for 6.7 points in 4 years, we will improve the combined ratio by 4.4 points in the first 2 years.
- The loss ratio in the automobile insurance business improved more than 5 points year on year in the first half. There was a noticeable fall in the number of claims paid.
- In the domestic life insurance business, although annualized new premiums were weak, there was a continuing shift to protection-type products of business in force and a continuing expansion in P&C sales channels.
- The preparation for the merger of the 2 P&C insurance companies is proceeding smoothly. Also, there is no major change in the size and the timing of the one-time merger costs.
- The reduction in the exposure of strategic-holding stocks has progressed more than 50% compared to the fiscal year plan. We will accelerate the selling of actual stocks in the second half.
- The Company's dividend policy remains unchanged – it is to pay an annual dividend of ¥60 per share. Based on the upwards revision of the full-year business forecasts and the capital conditions, we will examine the option of stock buybacks.

1. Trend of business results

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2. Domestic P&C insurance

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3. Domestic Life insurance

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4. Overseas insurance

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5. The merger of Sompo Japan and Nipponkoa

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6. Capital Management

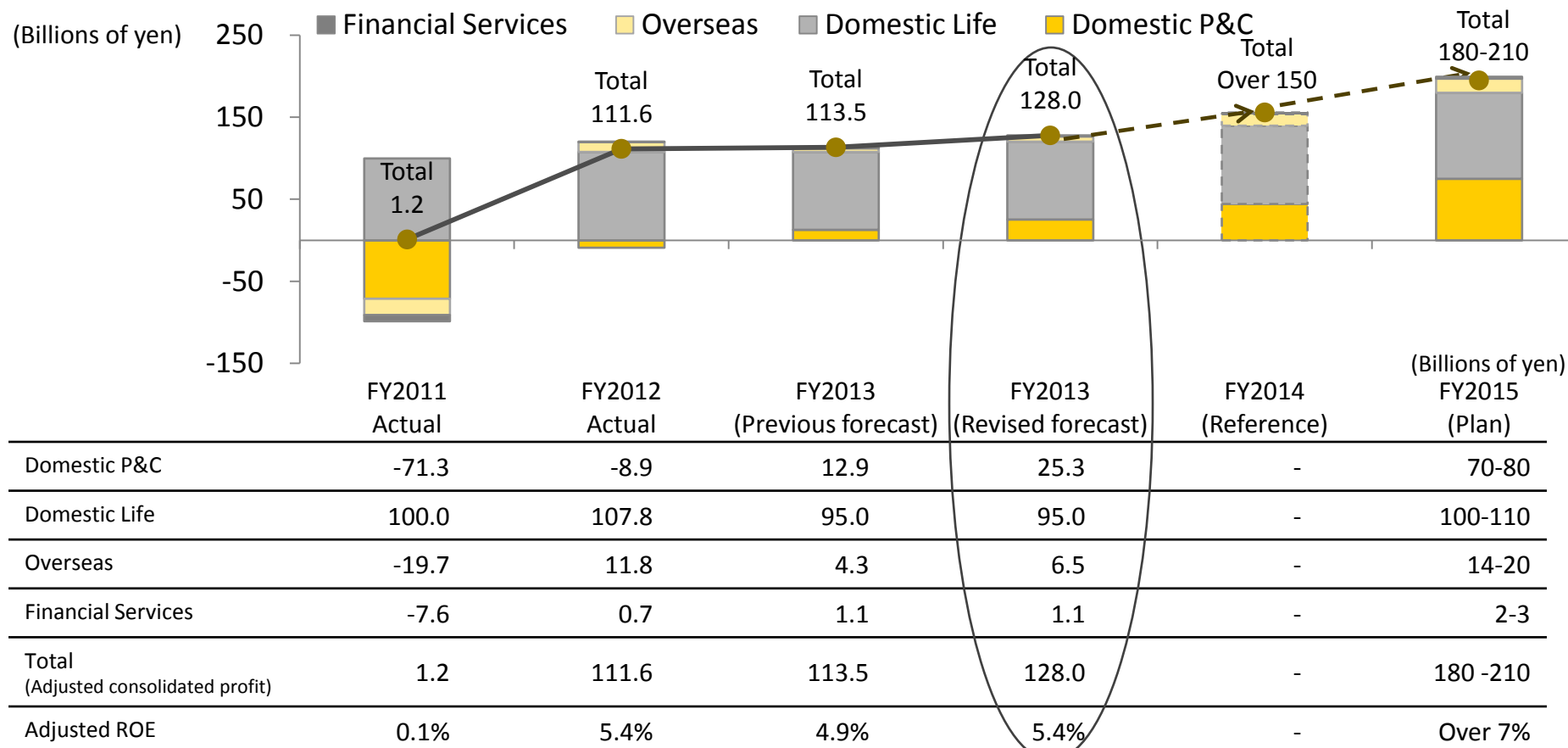
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Update on Progress of Management Plan

- ◆ We revised the forecast for FY 2013 upward. The improvement in business performance is progressing with the pace exceeding management plan.
- ◆ Steady growth on an adjusted profit basis even in FY2014, when large one-time merger costs are expected.



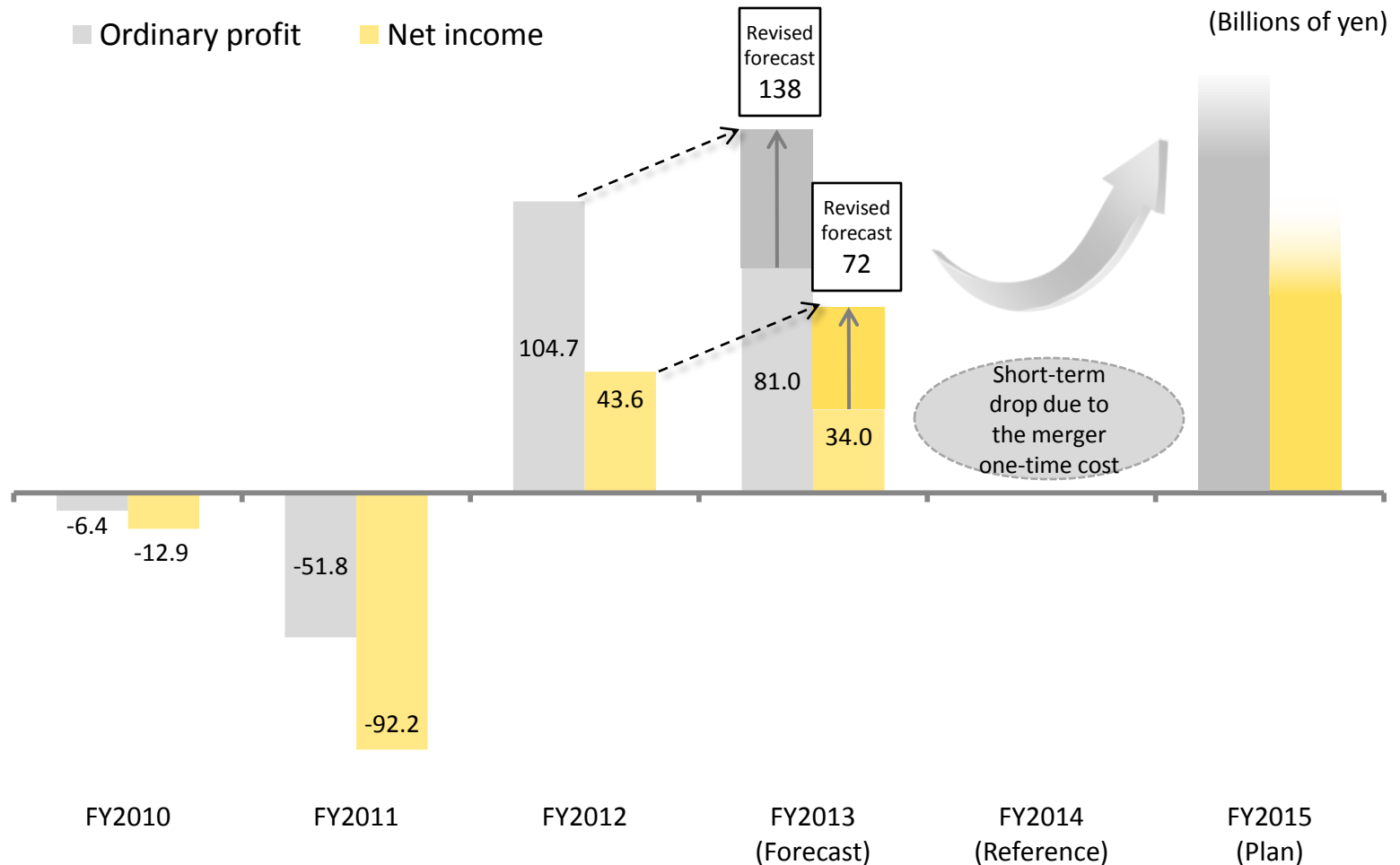
*One-time costs arising from the merger are excluded as special factors to compute adjusted profit. The amount are ¥26.4 billion (merger cost of ¥24.8 billion and other cost of ¥1.5 billion) in FY2012, ¥13.9 billion in FY2013(previous forecast), ¥16.4 billion in FY2013(revised forecast), approx ¥75 billion in FY 2014 and approx ¥5 billion in FY2015.

*Season Automobile & Fire and Sonpo 24 were reclassified from financial and other services to the domestic P&C insurance business from FY2012.

*Definition of each business, adjusted profit and adjusted ROE are shown on page 83.

Consolidated Performance (J-GAAP base)

- ◆ Improvement makes progress ahead of the management plan.
- ◆ One-time cost will make no impact on the fund for shareholder return, while net income drops due to the merger one-time cost in FY 2014.



Overview of the 1H FY2013 Results – NKSJ Consolidated

- ◆ The top line has continued to grow steadily.
- ◆ Ordinary profit and net income in consolidated basis increased significantly.

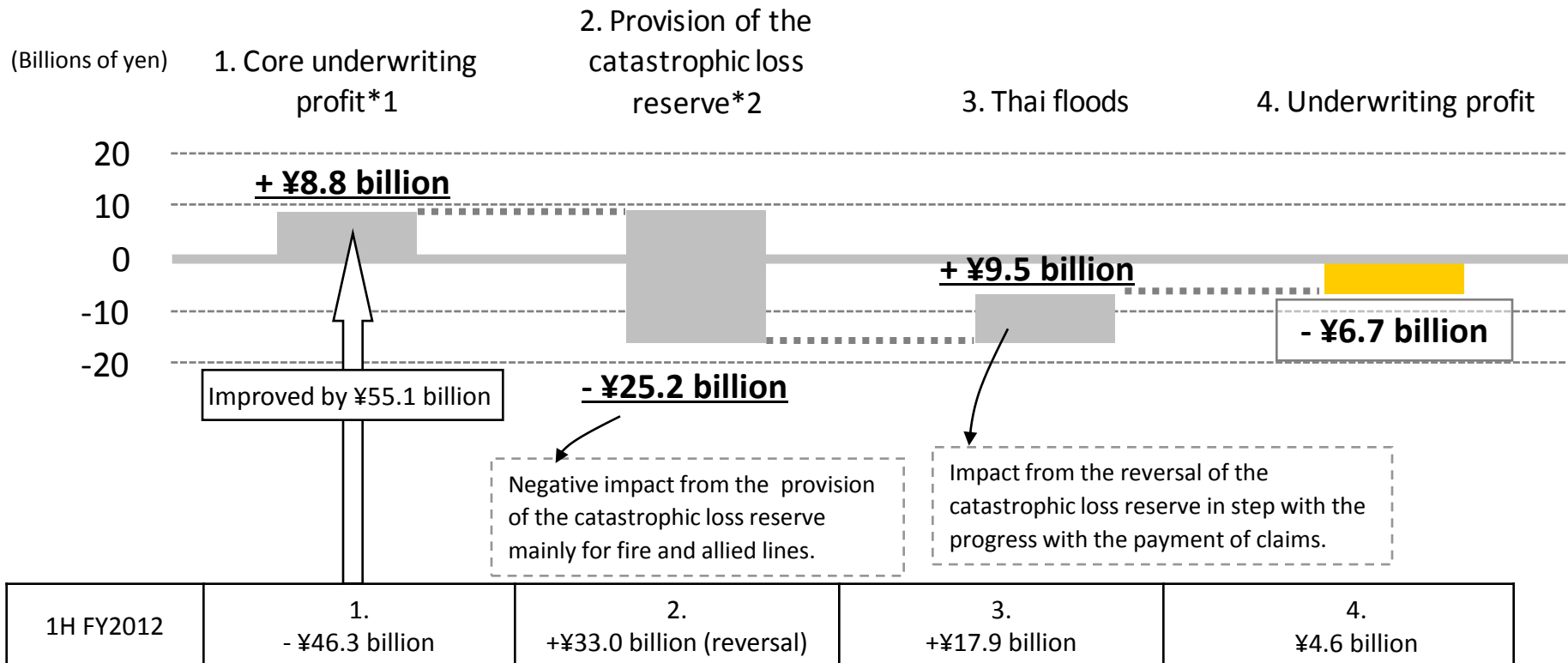
(Billions of yen)	1H FY2012	1H FY2013	Change
Ordinary income (NKSJ consolidated)	1,365.7	1,459.6	+93.9 (+6.9%)
P&C net premiums written	1,038.6	1,118.9	+80.3(+7.7%)
Life insurance premiums	123.9	133.9	+9.9(+8.0%)
Ordinary profit (NKSJ consolidated)	-55.0	53.7	+108.7
Sompo Japan + Nipponkoa	-12.2	41.8	+54.0
NKSJ Himawari Life	2.5	5.4	+2.9
Overseas subsidiaries	4.1	8.1	+4.0
Consolidated adjustment*1/others	-49.3	-1.7	+47.6
Net Income (NKSJ consolidated)	-37.3	29.1	+66.4
Sompo Japan + Nipponkoa	-5.4	19.9	+25.4
NKSJ Himawari Life	1.3	3.3	+1.9
Overseas subsidiaries	2.7	6.5	+3.7
Consolidated adjustment*1/others	-35.9	-0.6	+35.3

*1 "Purchase method" accountings was adopted in establishing NKSJ Holdings. In NKSJ consolidated financial statements, assets and liabilities of Nipponkoa are booked at the market value as of the completion of business integration. Therefore, book value used in Nipponkoa's statements and that used in NKSJ' consolidated statements are different. As a result, in calculating NKSJ consolidated profit, adjustments are necessary in Nipponkoa's realized gains on securities, etc. These adjustments are included in "consolidated adjustments" shown in the above table.

Main points of Consolidated Results for the 1H FY2013 – Underwriting profit

- ◆ Core underwriting profit*1 improved dramatically due to premium growth and a decline in claims paid.

Breakdown of underwriting profit (Sompo Japan + Nipponkoa)



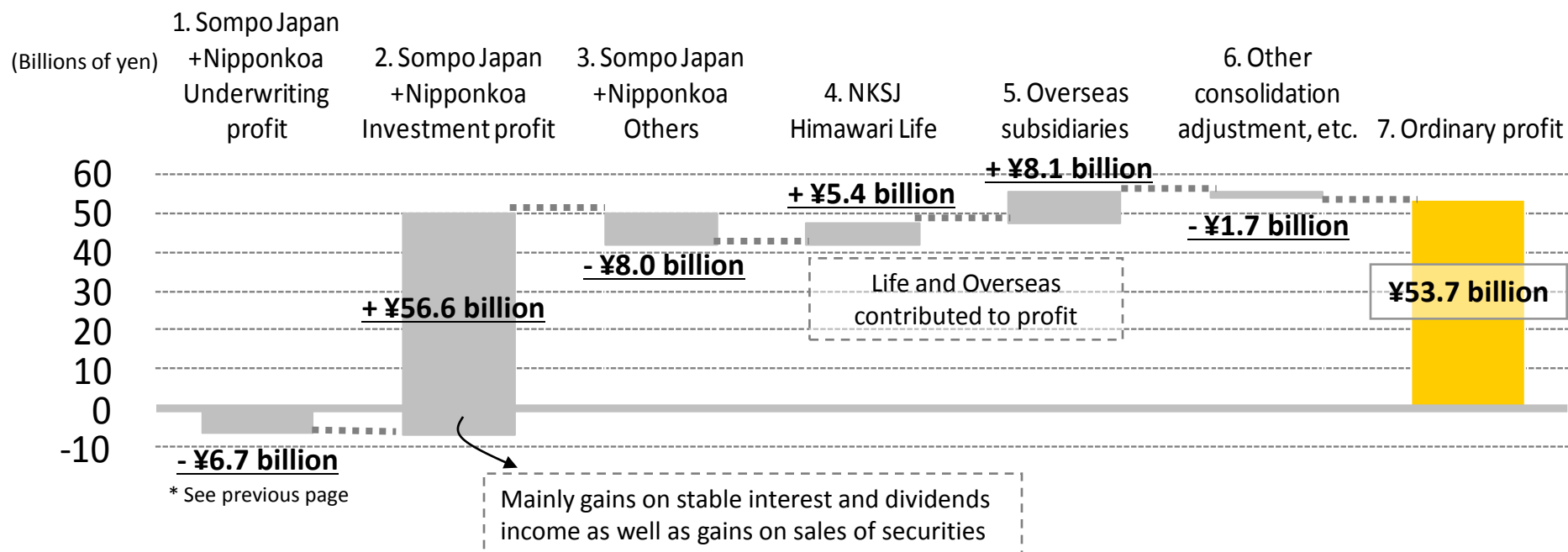
*1 Core underwriting profit is underwriting profit less provision of catastrophic loss reserve and the impact related to the Thai floods.

*2 Provision of the catastrophic loss reserve does not include the reserve related to the flooding in Thailand.

Main points of Consolidated Results for the 1H FY2013 - Ordinary profit

- ◆ Consolidated ordinary profit was ¥53.7 billion.
- ◆ Investment profit of domestic P&C insurance as well as life and overseas contributed to profit.

Breakdown of ordinary profit

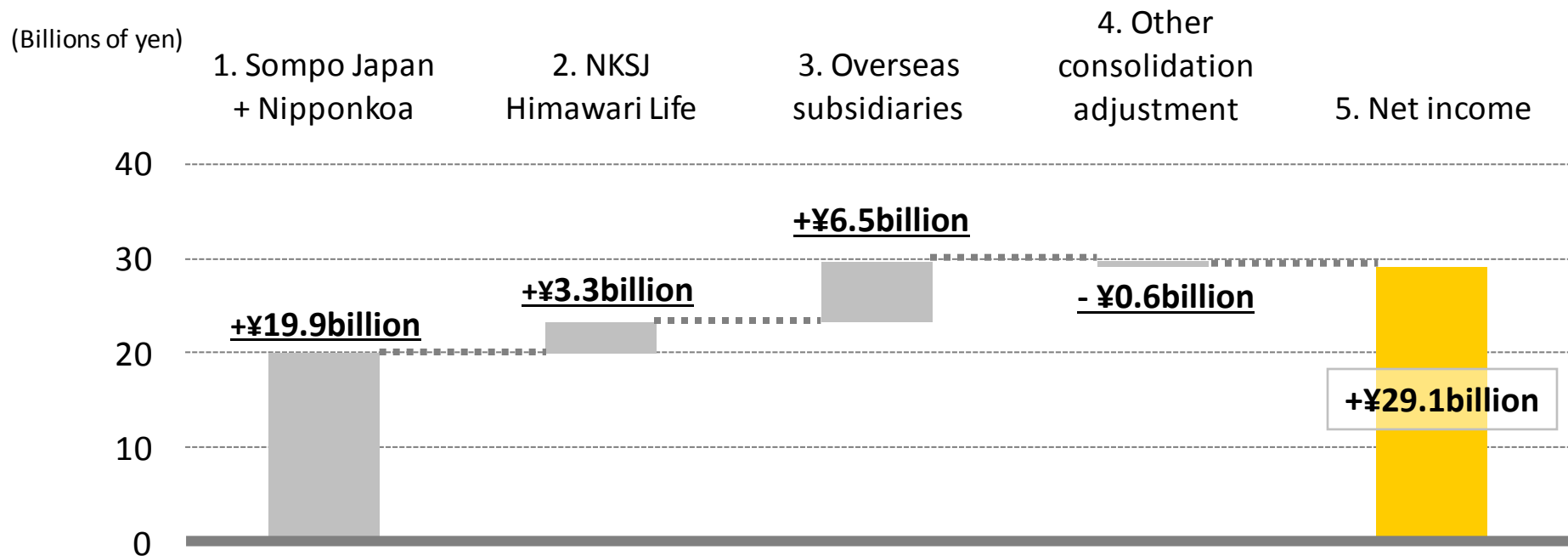


	1.	2.	3.	4.	5.	6.	7.
1H FY2012	+ ¥4.6 billion	- ¥ 10.7billion	- ¥6.1 billion	+ ¥2.5billion	+ ¥4.1 billion	- ¥49.3 billion	- ¥55.0 billion

Main points of Consolidated Results for the 1H FY2013 - Net income

◆ Net income increased significantly to ¥29.1 billion with all businesses contributing to profit.

Breakdown of net income



1H FY2012	1. - ¥5.4 billion	2. + ¥1.3 billion	3. + ¥2.7 billion	4. - ¥35.9 billion	5. - ¥37.3 billion
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Summary of Business Forecasts – Consolidated basis

◆ We have upwardly revised business forecasts for FY 2013 mainly due to an increase in profit of the domestic P&C Insurance business.

(Billions of yen)	FY2012 Actual	FY 2013 Previous forecasts	FY2013 Revised forecasts	Change (comparison with the previous year)		Change (comparison with the previous forecasts)	
Ordinary income (NKSJHD consolidated)	2,843.2	2,860.0	2,910.0	+66.7	(+2.3%)	+50.0	(+1.7%)
P&C net premiums written	2,062.6	2,227.0	2,230.0	+167.3	(+8.1%)	+3.0	(+0.1%)
Life insurance premiums	264.7	269.5	279.5	+14.7	(+5.6%)	+10.0	(+3.7%)
Ordinary profit (NKSJHD consolidated)	104.7	81.0	138.0	+33.2	(+31.7%)	+57.0	(+70.4%)
Sompo Japan + Nipponkoa	129.6	114.9	149.4	+19.8	(+15.3%)	+34.5	(+30.1%)
NKSJ Himawari Life	8.0	10.0	10.3	+2.3	(+29.5%)	+0.3	(+3.7%)
Consolidated adjustment*/others	-32.8	-43.9	-21.8	+11.0	—	+22.0	—
Net Income(NKSJHD consolidated)	43.6	34.0	72.0	+28.3	(+65.1%)	+38.0	(+111.8%)
Sompo Japan + Nipponkoa	62.4	63.0	80.6	+18.1	(+29.1%)	+17.6	(+28.0%)
NKSJ Himawari Life	4.4	6.0	6.2	+1.8	(+41.5%)	+0.2	(+3.7%)
Consolidated adjustment*/others	-23.2	-35.0	-14.8	+8.3	—	+20.1	—

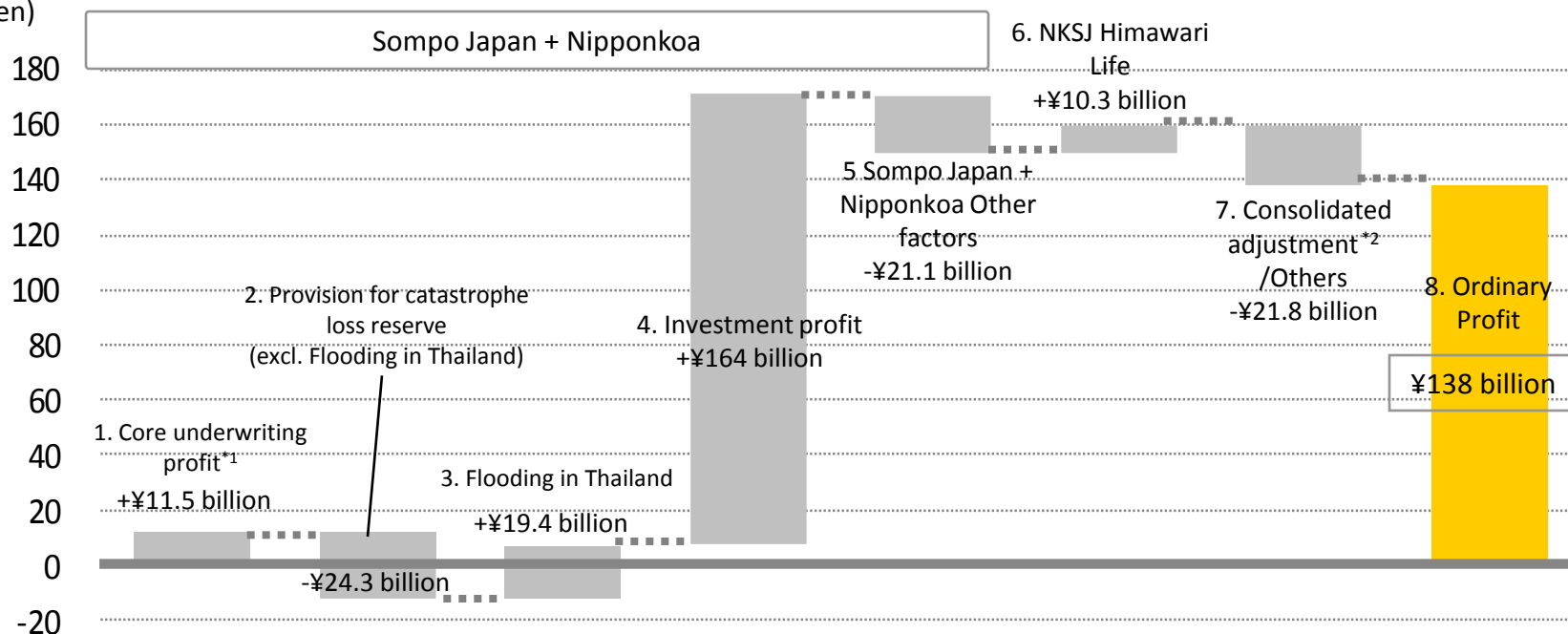
* "Purchase method" accountings was adopted in establishing NKSJ Holdings. In NKSJ consolidated financial statements, assets and liabilities of Nipponkoa are booked at the market value as of the completion of business integration. Therefore, book value used in Nipponkoa's statements and that used in NKSJ' consolidated statements are different. As a result, in calculating NKSJ consolidated profit, adjustments are necessary in Nipponkoa's realized gains on securities, etc. These adjustments are included in "consolidated adjustments" shown in the above table.

Main points of Business Forecasts - Ordinary profit (NKSJ consolidated)

- ◆ Consolidated ordinary profit is projected to be ¥138 billion.
 - Underwriting profit: Steady improvement in profitability is expected due to products and premium rate revisions, etc. for automobile insurance
 - Investment profit : Stable interest and dividends income and gains on sales of securities contribute.
 - Himawari Life: ¥10.3 billion profit contribution

Main components of consolidated ordinary profit

(Billions of yen)



FY 2012 (Actual)	1. -¥62.1 bn.	2. +¥11.2 bn.	3. +¥33.9 bn.	4. +¥159.9 bn.	5. -¥13.3 bn.	6. +¥8.0 bn.	7. -¥32.8 bn.	8. ¥104.7 bn.
FY 2013 Previous Forecast	1. +¥4.6 bn.	2. -¥31.1 bn.	3. +¥16.3 bn.	4. +¥146.7 bn.	5. -¥21.6 bn.	6. +¥10.0 bn.	7. -¥43.9 bn.	8. ¥81.0 bn.

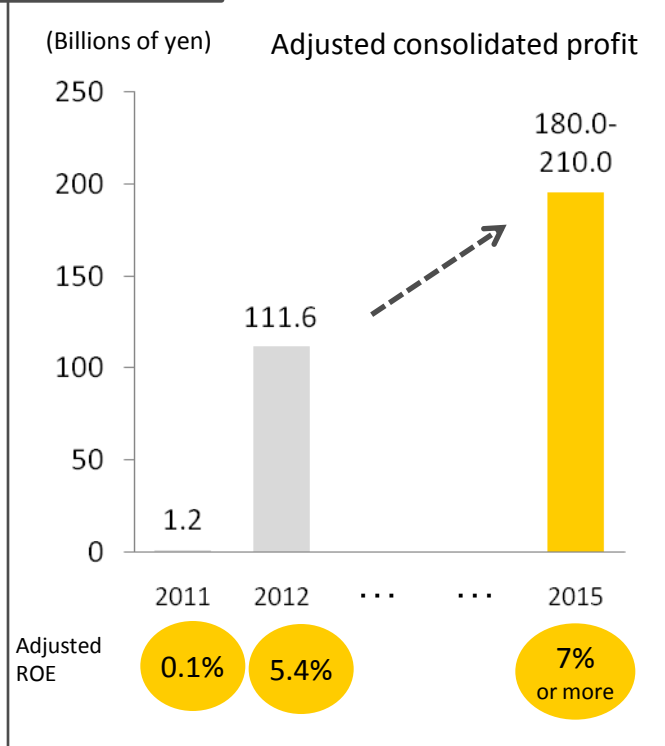
*1 Core underwriting profit is underwriting profit less provision of catastrophic loss reserve and the impact related to the Thai floods.

*2 Major component of consolidated adjustment is purchase method adjustment of -¥27.6 billion

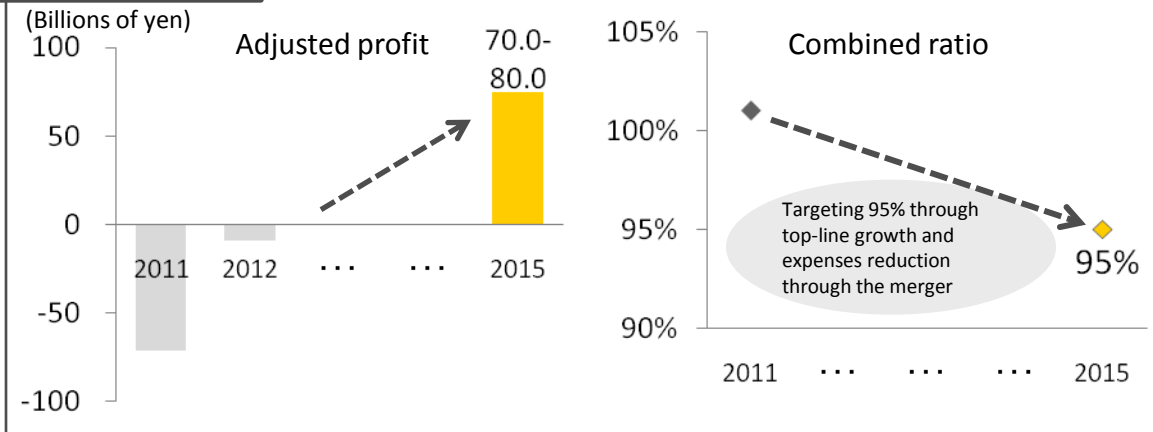
Reference : Main points of numerical management targets of the group

- ◆ Aiming adjusted consolidated profit of ¥180-¥210 billion and Adjusted ROE of 7% or more in FY2015.
- ◆ The domestic P&C insurance achieves a dramatic improvement in earnings by leveraging the merger of the two P&C insurance companies. The targeted combined ratio is 95%.

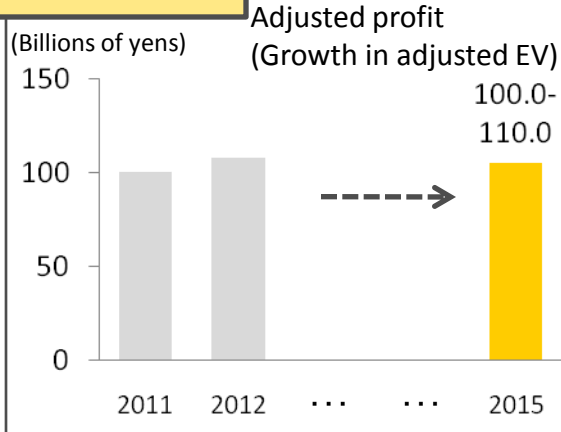
Group total



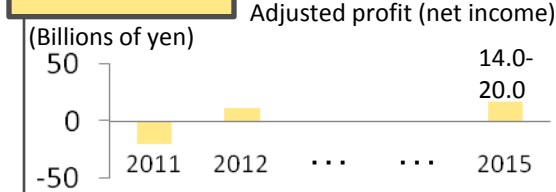
Domestic P&C



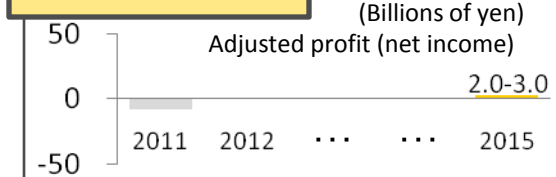
Domestic Life



Overseas



Financial services



*1 Definition of each business, adjusted profit and adjusted ROE are shown on page 83.

*2 Combined ratio for domestic P&C insurance excludes CALL.

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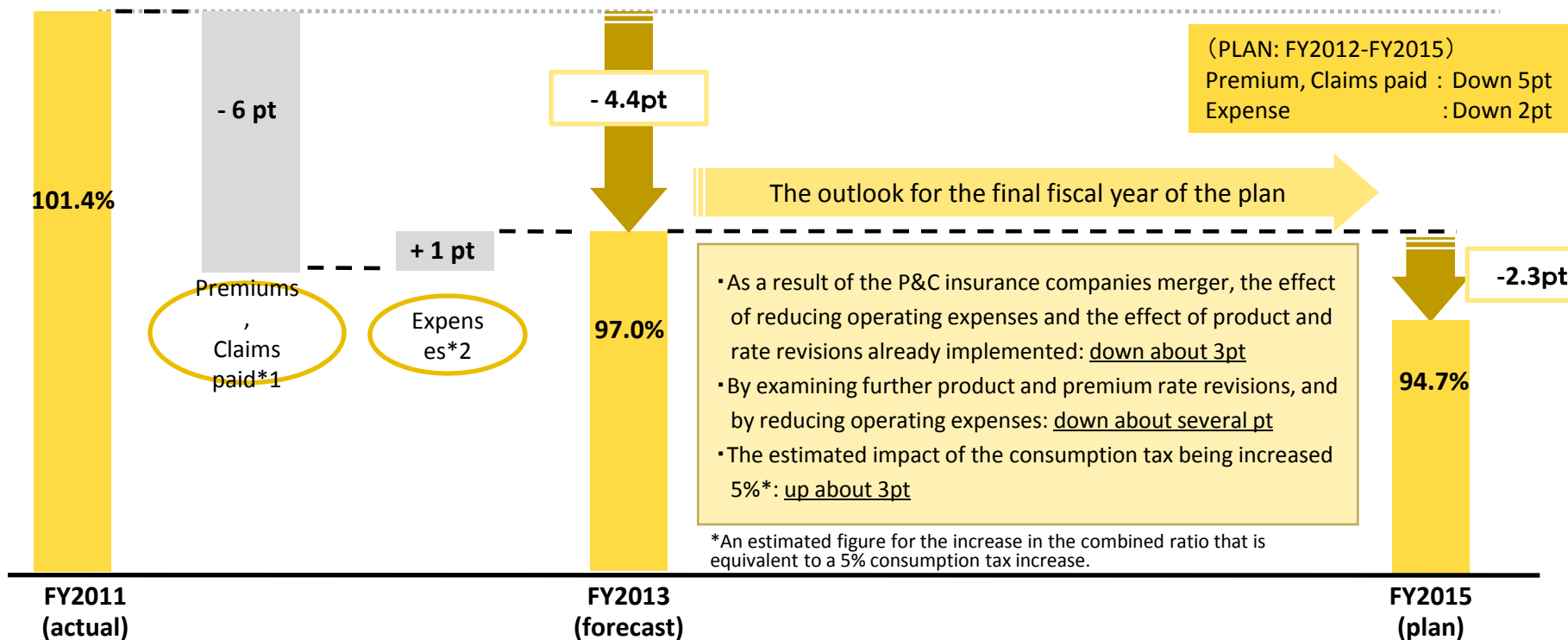
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Topics of Domestic P&C insurance business

- ◆ We have a plan to improve the combined ratio by 6.7 points in 4 years, and we will improve it by 4.4 points in 2 years.
- ◆ Looking ahead, our policy is to achieve a 95% level in the combined ratio, by capturing the merger synergies of the P&C insurance companies, by implementing enhanced profitability in the automobile insurance business, and by a steady response to consumption tax increases.

Trends of Combined Ratio (Sum of Sampo Japan and Nipponkoa)



*1 Premiums, Claims paid;
The loss ratio in the automobile insurance business improved mainly due to product and rate revisions.

*2 Expenses;
Commissions increased due to the expansion in the reinsurance business.

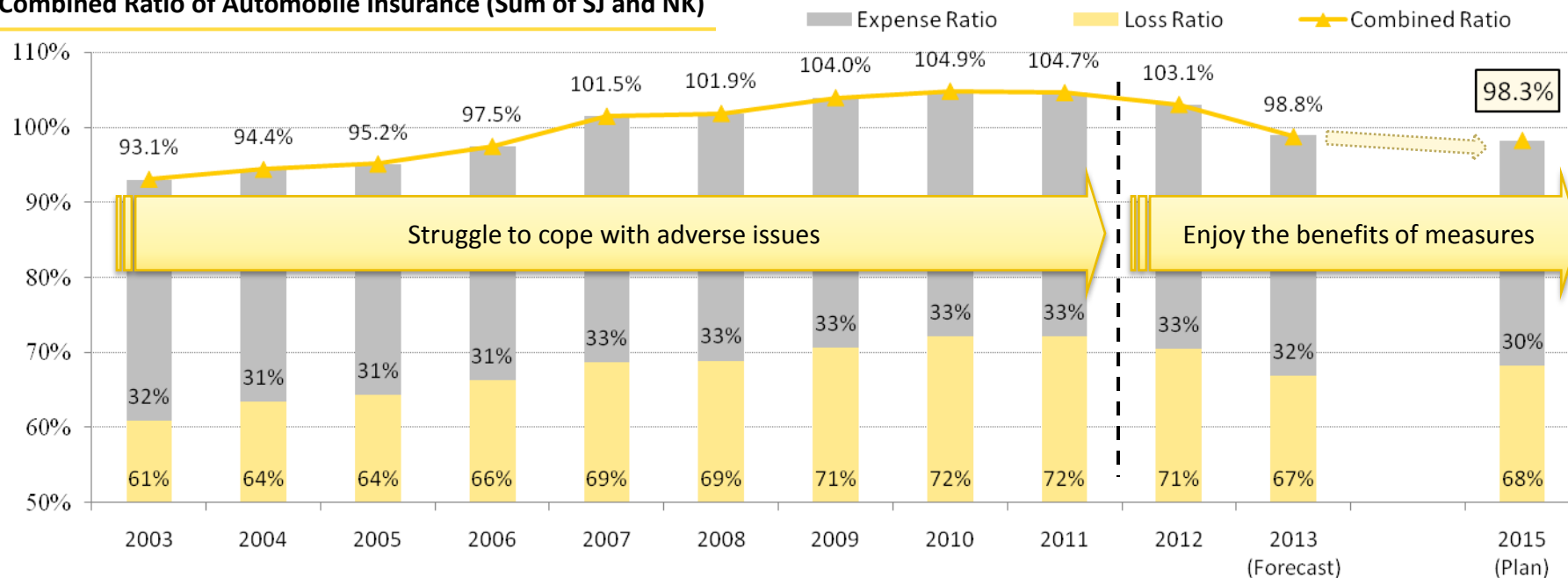
(Note) Calculation standard of combined ratio shown here are as follows;

- One-time merger costs are excluded.
- Assumed impact of natural disasters is ¥38 billion in every year.
- Impact of the increase in Japan's consumption tax rate is not reflected.
- CALI is excluded.

Topics of Automobile Insurance

◆ Combined ratio of automobile insurance has turned into improvement trend as a result of our products and premium rate revisions.

Combined Ratio of Automobile Insurance (Sum of SJ and NK)



Adverse issues;

- ❑ Population of elderly drivers who tend to have frequent accidents is growing.
- ❑ Increase in number of adjusters and system cost to solve "non-payment problem"
- ❑ Rising repair cost as car parts are getting more sophisticated
- ❑ The previous Driver Rating System was not rational

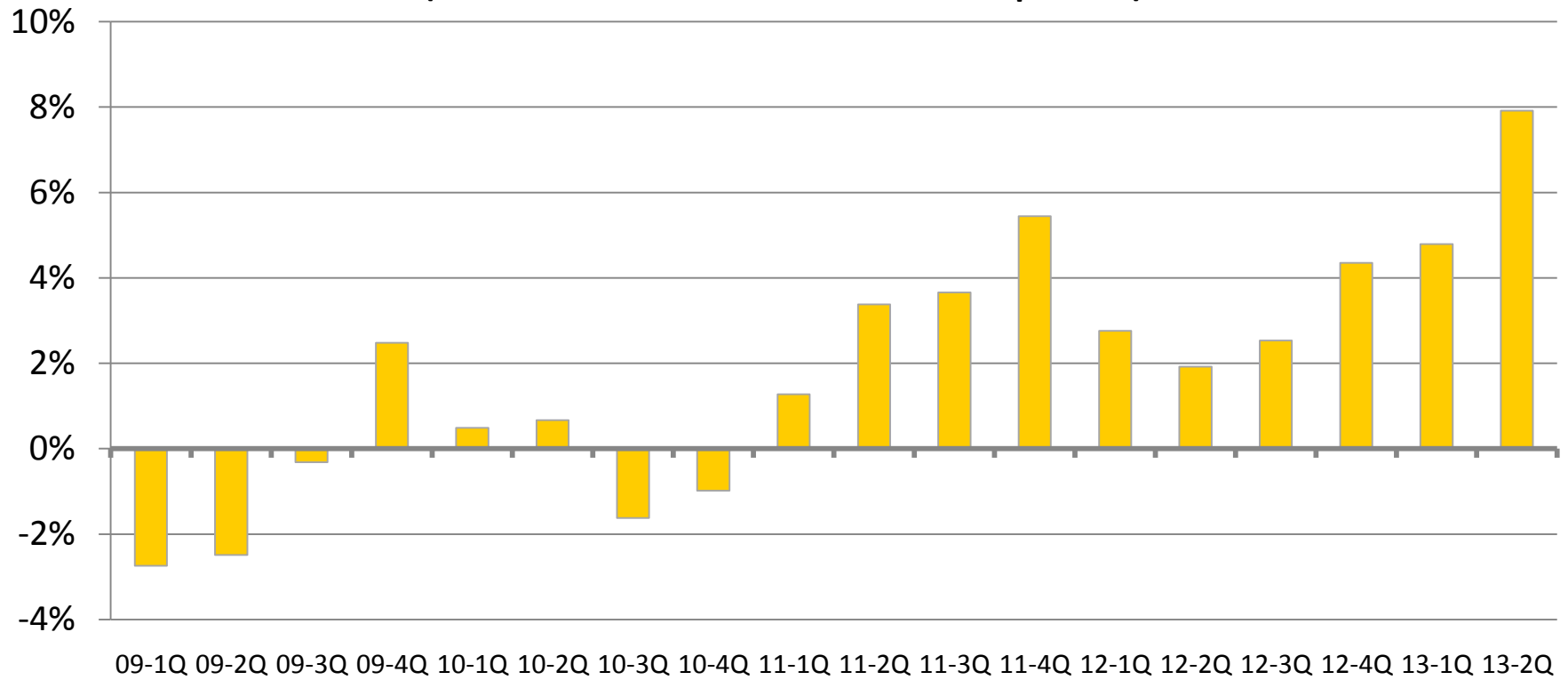
Our measures;

- ❑ Rate revision for elderly drivers (Started in April 2011)
- ❑ Series of base rate revision (See Page 76)
- ❑ Revision of Driver Rating System (See Page 76 & 77)

Premiums

◆ The top line has continued to grow since FY2011.

Quarterly trends of premium increase (General lines total, Year-on-Year comparison)



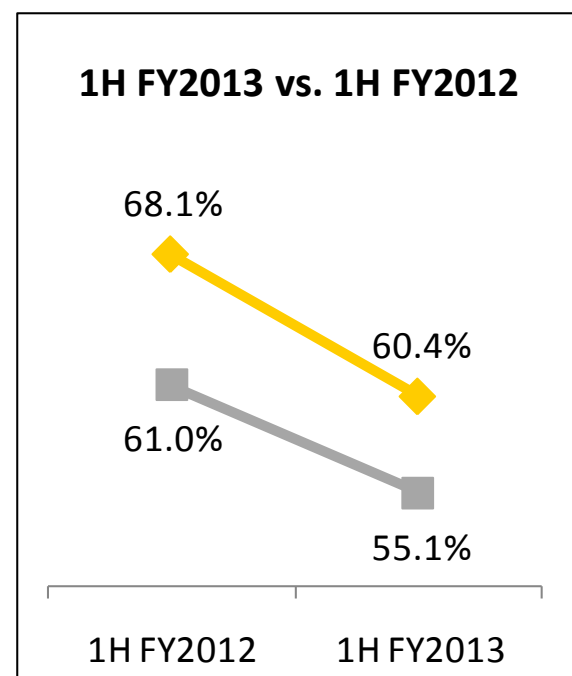
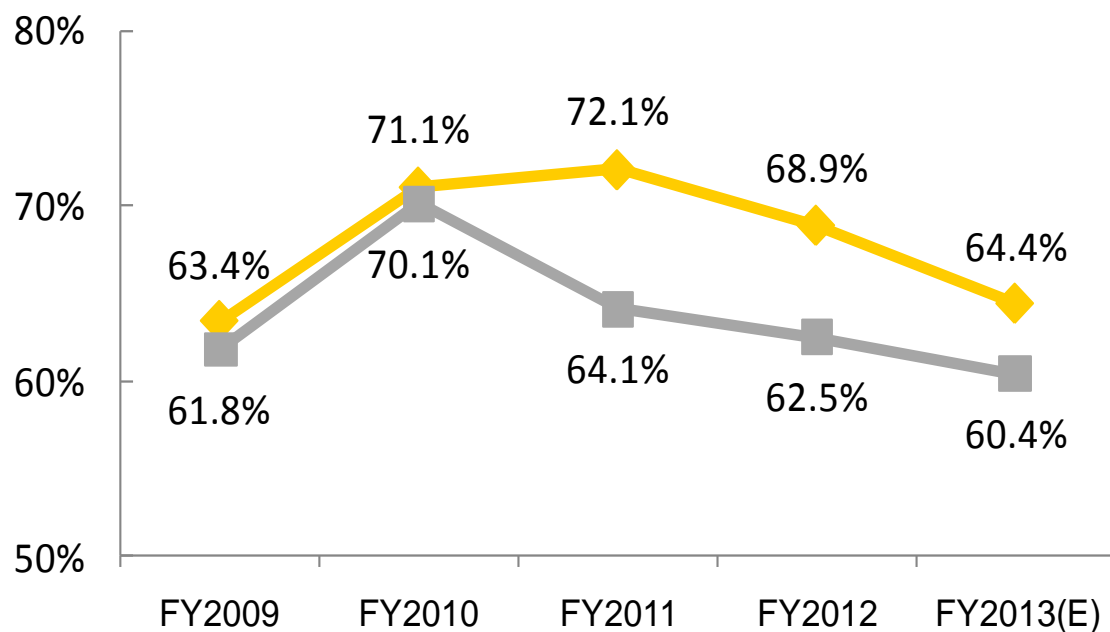
*Sum of Sompo Japan and Nipponkoa

*Premium is performance evaluation basis

Loss Ratio

- ◆ A large drop from 1H FY2012 due to improvements in automobile insurance profitability and fewer natural disasters.
- ◆ The Company expects steady improvements to continue for the full year.

Trends of Loss Ratio (excl. CALI, financial guarantee, household earthquake)



◆ Loss Ratio (excl. CALI, financial guarantee, household earthquake)

■ Reference; Loss Ratio (excl. CALI, financial guarantee, household earthquake, domestic natural disasters, Thai floods)

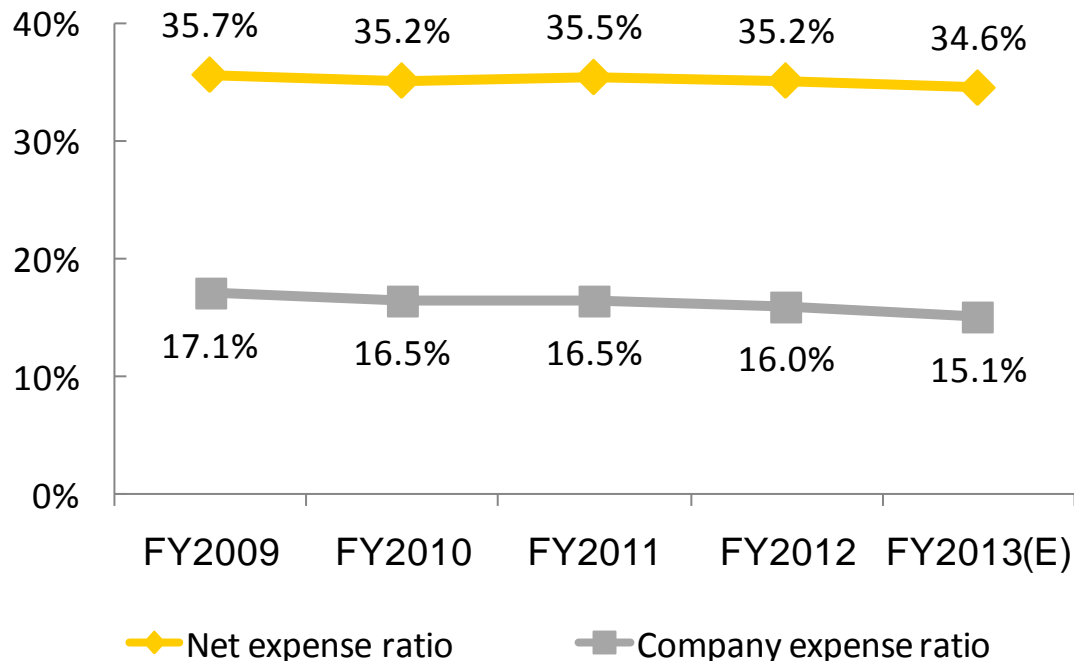
* Sum of Sompo Japan and Nipponkoa

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

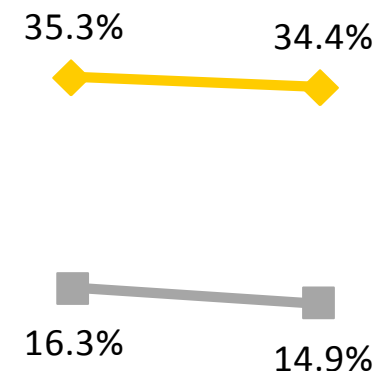
Net Expense Ratio

◆ The net expense ratio and the company expense ratio both steadily declined.

Trends of Net expense ratio (excl. CALI, financial guarantee, household earthquake)



1H FY2013 vs. 1H FY2012



* Sum of Sompo Japan and Nipponkoa

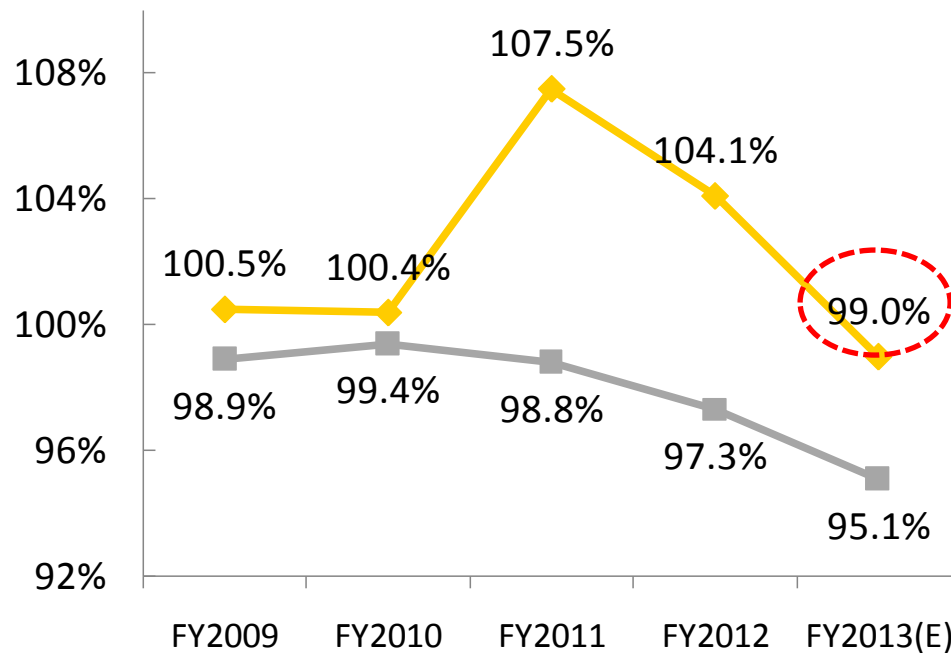
* Company expense ratio is the ratio of operating, general administrative expenses for underwriting against net premiums written.

Combined Ratio

◆ The combined ratio is expected to fall below 100% to 99.0% (FY2013 forecast).

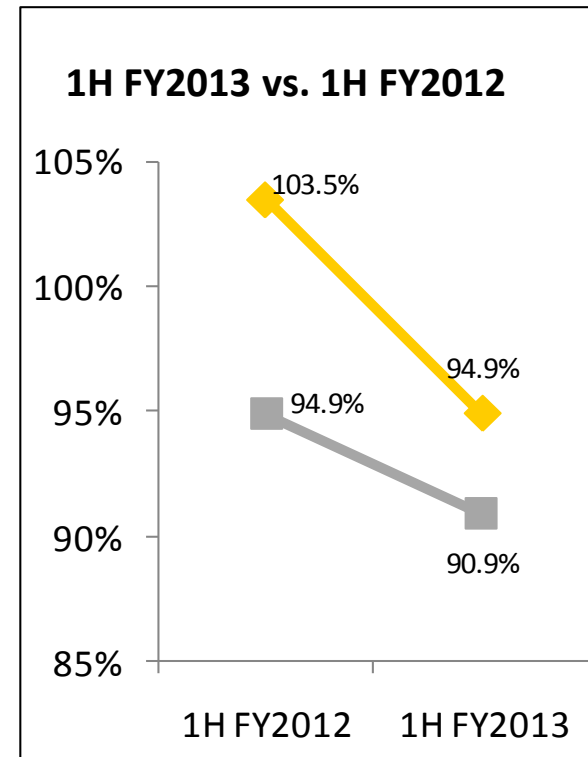
Trends of Combined ratio

(excl. CALI, financial guarantee, household earthquake)



◆ Combined ratio(excl. CALI, financial guarantee, household earthquake)

■ Reference; Combined ratio(excl. CALI, financial guarantee, household earthquake, domestic natural disasters, Thai floods)

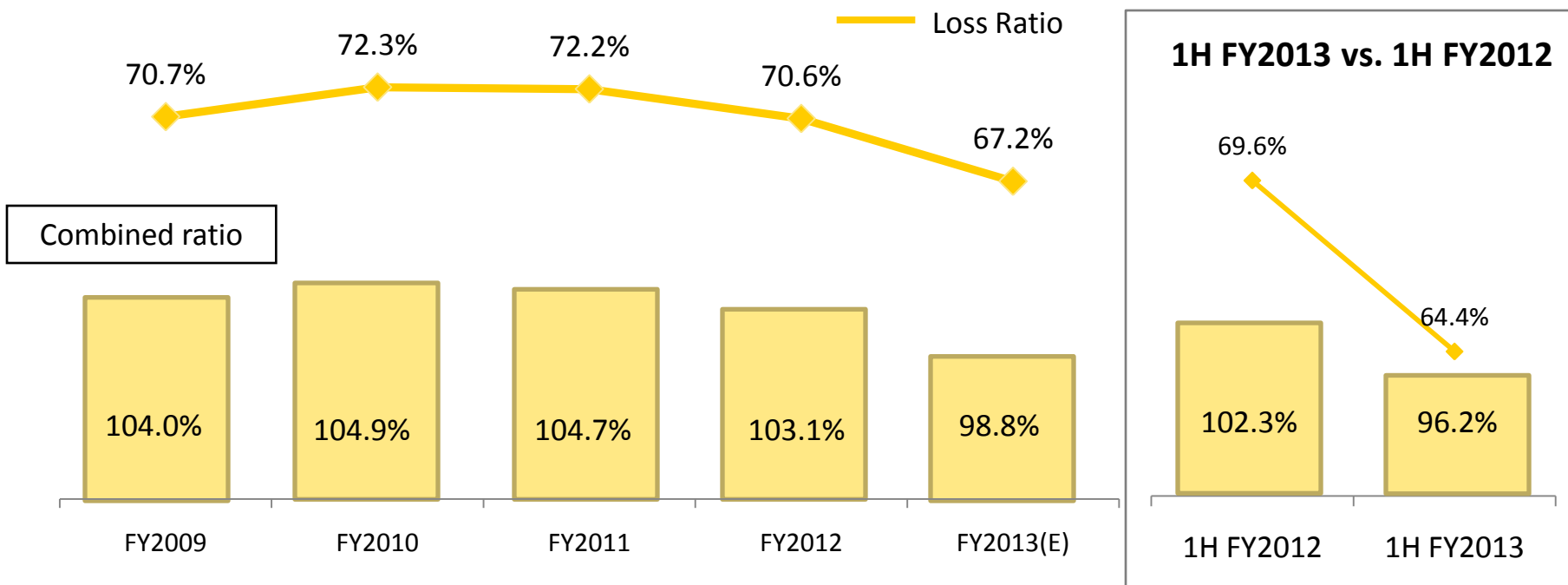


* Sum of Sompo Japan and Nipponkoa

Voluntary Automobile Insurance - Combined Ratio

◆ Loss ratio is on a downward trend.

- Positive impact of product and rate revision has appeared.
- Decreasing trend of the number of reported claims is on going. (See next page)
- On the other hand, increasing trend of unit repair costs continues.

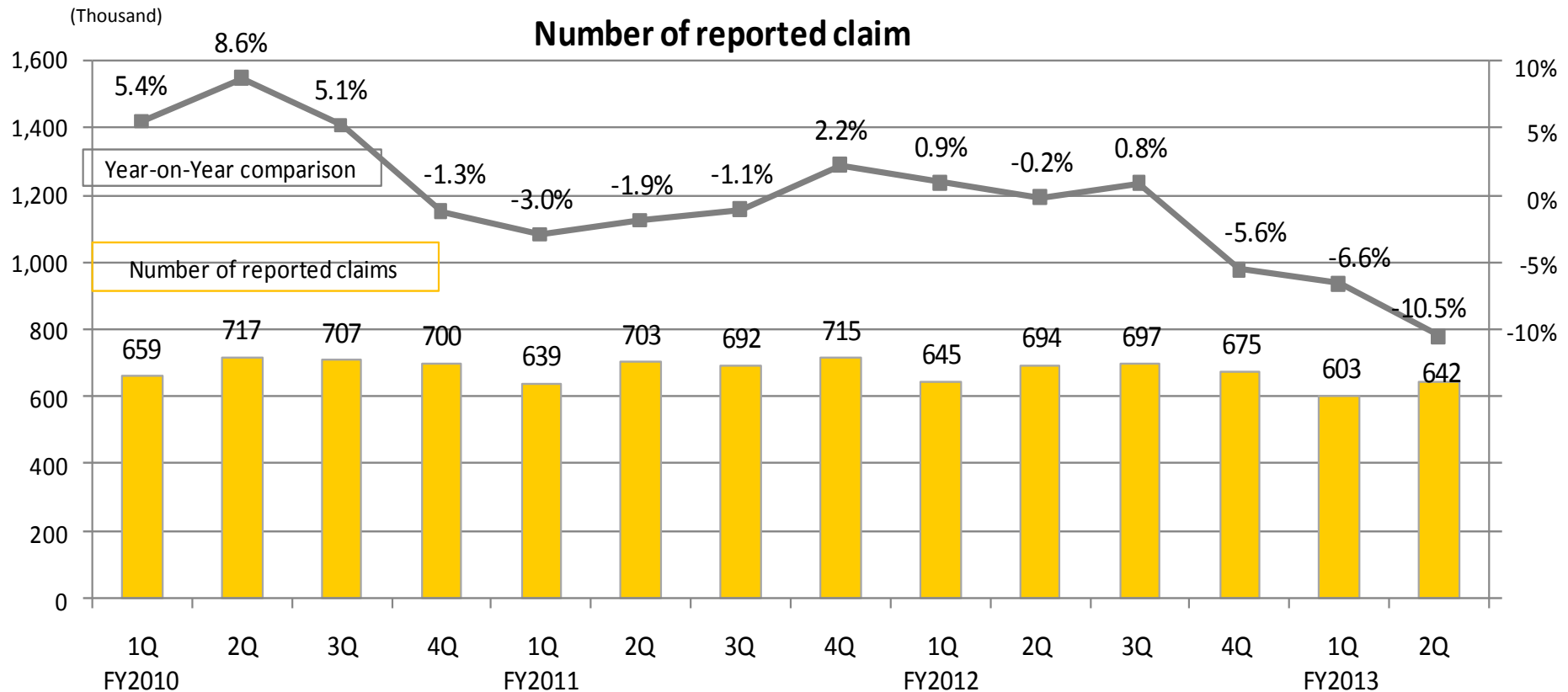


* Sum of Sompo Japan and Nipponkoa

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

Voluntary Automobile Insurance - Number of reported claims

◆ Decreasing trend is obvious since 4Q FY2012.



*Year on Year comparison is adjusted based on calendar.

*Special factors in each fiscal year (The Great East Japan Earthquake, typhoon No.12 and 15 in fiscal 2011, and the severe storm in April 2012) are excluded.

Business Forecasts - Domestic P&C Insurance Business

(Billions of yen)	FY2012 Actual	FY2013 Previous forecasts	FY2013 Revised forecasts	Change (comparison with the previous year)	Change (comparison with the previous forecasts)
Net premiums written	1,966.2	2,035.0	2,048.1	+81.9 (+4.2%)	+13.0 (+0.6%)
(Excl. CALI)	1,691.7	1,742.6	1,751.0	+59.3 (+3.5%)	+8.4 (+0.5%)
Loss Ratio	72.0%	68.0%	67.2%	-4.7pt	-0.7pt
(Excl. financial guarantee and CALI)	68.8%	64.8%	64.4%	-4.5pt	-0.4pt
(Excl. financial guarantee, CALI, Special factors)	67.2%	63.3%	63.1%	-4.1pt	-0.2pt
EI Loss Ratio (excl. CALI and household earthquake insurance)	67.8%	64.6%	64.1%	-3.7pt	-0.5pt
(Excl. financial guarantee, Special factors)	68.2%	64.4%	64.3%	-3.9pt	-0.1pt
Net Expense Ratio	33.4%	32.8%	32.6%	-0.8pt	-0.2pt
(Excl. CALI)	35.2%	34.9%	34.6%	-0.6pt	-0.3pt
Combined Ratio	105.4%	100.8%	99.8%	-5.6pt	-1.0pt
(Excl. financial guarantee and CALI)	104.1%	99.7%	99.0%	-5.1pt	-0.7pt
(Excl. financial guarantee, CALI, Special factors)	102.5%	98.2%	97.7%	-4.7pt	-0.5pt
Underwriting profit	-16.9	-10.2	6.5	+ 23.5 (—)	+ 16.7 (—)
Investment profit	159.9	146.7	164.0	+ 4.0 (+2.6%)	+ 17.2 (+11.8%)
Ordinary profit	129.6	114.9	149.4	+19.8 (+15.3%)	+34.5 (+30.1%)
Net income	62.4	63.0	80.6	+18.1 (+29.1%)	+17.6 (+28.0%)

*Sum of Sompo Japan and Nipponkoa

*Special factors: The Great East Japan Earthquake and Flooding in Thailand

Assumption of Business Forecasts- Domestic P&C Insurance Business

	FY2013 Previous forecasts	FY2013 Revised forecasts
Losses from domestic natural disasters (occurring in the fiscal year)	¥38.0 billion	¥46.5billion
Flooding in Thailand	Net claims paid : ¥21.1billion *excluding the amount to be paid by overseas subsidiaries (Assuming that remaining amount ¥6.1 billion is paid in FY2014)	Net claims paid : ¥18.5billion *excluding the amount to be paid by overseas subsidiaries (Assuming that remaining amount ¥4.9 billion is paid in FY2014)
Catastrophic loss reserve	Net provision : ¥15.4 billion	Net provision : ¥9.4 billion
Provision rate of Catastrophic loss reserve	Provision rate of fire group : Sompo Japan : 10.0%, Nipponkoa : 9.2% Provision rate of automobile group : Sompo Japan : 5.5% Nipponkoa : 6.2%	Provision rate of fire group : Sompo Japan : 10.0%, Nipponkoa : 8.9% Provision rate of automobile group : Sompo Japan : 5.5% Nipponkoa : 6.2%
Market indicators	(Stock) Nikkei 225 : ¥12,397 (Interest yield) 10y JGB : 0.55% (Foreign exchange) 1US\$: ¥94.05, 1Euro : ¥120.73	(Stock) Nikkei 225 : ¥14,455 (Interest yield) 10y JGB : 0.69% (Foreign exchange) 1US\$: ¥97.75, 1Euro : ¥131.87
Interest and dividend income	Gross : ¥100.0 billion Net : ¥53.7 billion	Gross : ¥107.8 billion Net : ¥61.5 billion
Realized gains on securities	Realized gain on securities : ¥100.0 billion Impairment losses on securities : ¥3.0 billion	Realized gain on securities : ¥119.7 billion Impairment losses on securities : ¥14.0 billion
Reserve for price fluctuation	Net provision : ¥7.6billion	Net provision : ¥8.0billion

*Sum of Sompo Japan and Nipponkoa

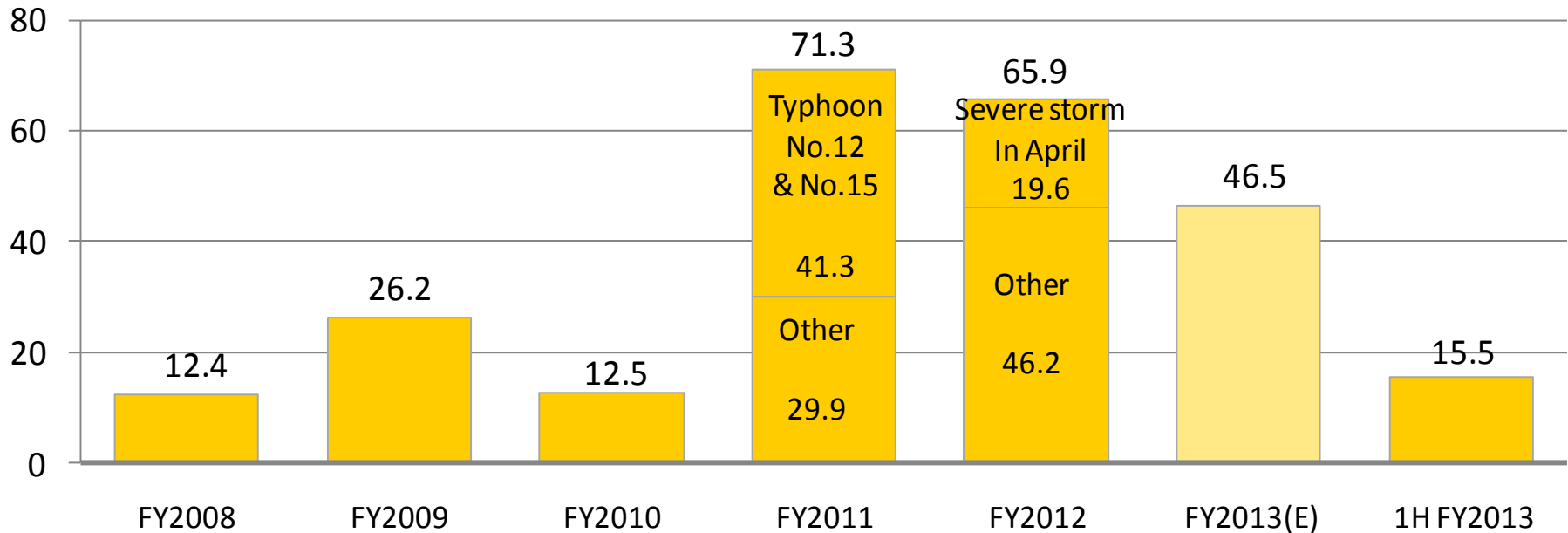
Domestic Natural Disasters

- ◆ The Company has revised the projected incurred loss to ¥46.5 billion (from ¥38.0 billion initially) for the full year due to typhoons in second half, etc.

Year-on-year comparison of the impact of domestic natural disasters (only events that occurred in the fiscal year)

Trends of net loss occurred

(Billions of yen)



*Sum of Sompo Japan and Nipponkoa

*Excluding the Great East Japan Earthquake

Flooding in Thailand

◆ Posted ¥12.5 billion profit (Group total) due to reversal of catastrophic loss reserve etc.

(Billions of yen)

	Cumulative Total by FY2012	April – September 2013			Cumulative Total (End of September 2013)	
	Group Total	Group Total	Sompo Japan	Nipponkoa	Overseas subsidiaries	Group Total
Paid claims	51.2	14.0	2.9	5.0	5.9	65.2
Provision of outstanding loss reserve	36.0	-21.4	-3.6	-8.9	-8.9	14.6
Net loss occurred*	87.3	-7.4	-0.6	-3.8	-2.9	79.8
Provision of catastrophic loss reserve	-42.8	-5.0	-	-5.0	-	-47.9
Impact on ordinary profit*	-44.4	12.5	0.6	8.9	2.9	-31.9

* Impairment losses on stocks of a non-consolidated subsidiary of ¥7 billion in fiscal year 2011 is not included.

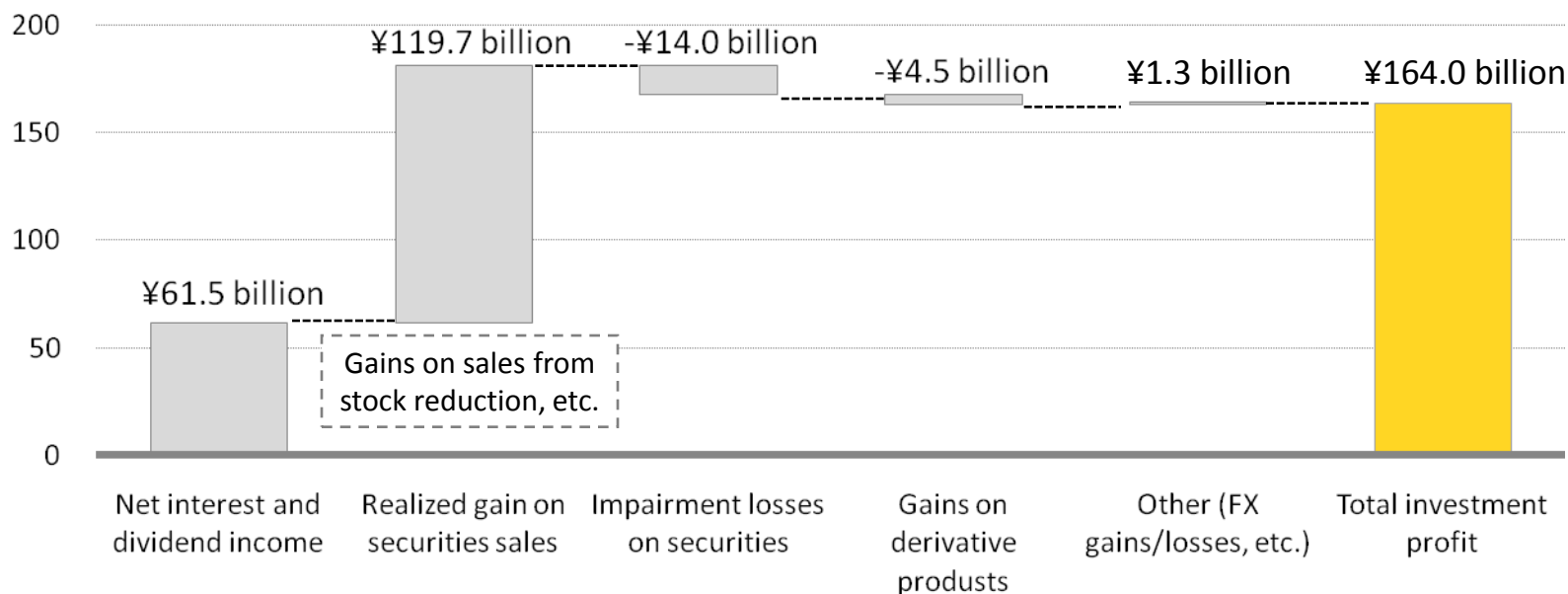
Sum of two domestic P&C insurance companies were ¥9.5 billion.

Investment profit

- ◆ In FY 2013, continuing to reduce strategic-holding stocks aggressively since last year.
- ◆ Investment profit is expected to be the same level as FY 2012 actual.

FY 2013 Forecast

Breakdown of Investment Profit (Sompo Japan and Nipponkoa)



	Net interest and dividend income	Realized gain on securities sales	Impairment losses on securities	Gains on derivative products	Other (FX gains/losses, etc.)	Total investment profit
1H FY 2013 (Actual)	¥34.2 billion	¥35.8 billion	-¥11.2 billion	-¥4.2 billion	¥2.0 billion	¥56.6 billion
FY 2012 (Actual)	¥67.3 billion	¥125.8 billion	-¥26.8 billion	¥8.0 billion	¥1.5 billion	¥159.9 billion

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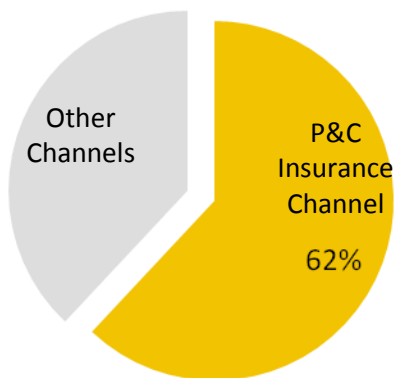
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Topics : Growth with High Margin in Domestic Life Insurance Business

◆ We will achieve sustained growth with a high profit margin by focusing on the superiority of our sales channels (making use of our network of P&C insurance agencies) and on high-margin protection-type products.

Sales Channel Strategy

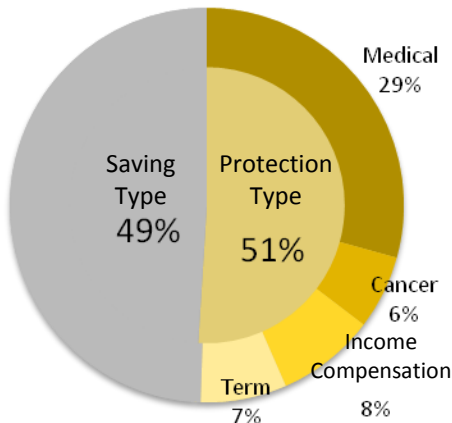
Channel Weight¹



- Utilizing P&C agency network, i.e. no need to develop new infrastructure for sales from scratch.
- There is room to broaden cross-selling to the P&C customer base of 20 million customers through P&C agency network.

Product Portfolio Strategy

Product Weight²

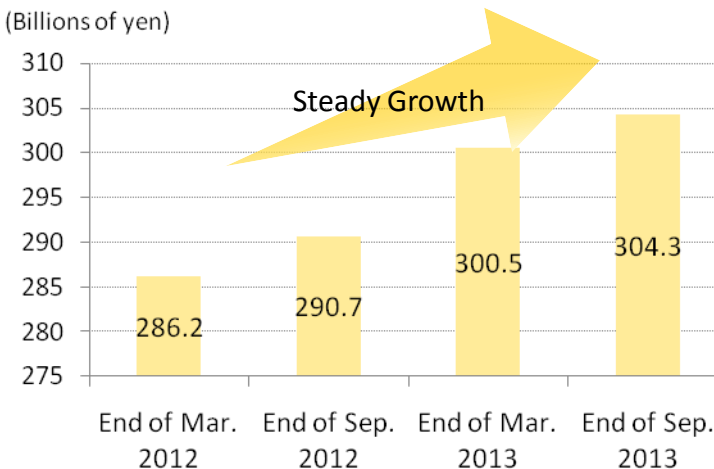


- Focusing on highly profitable protection-type products.

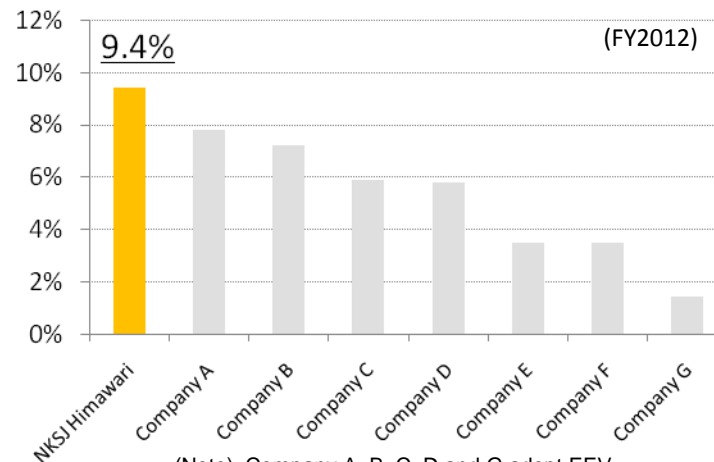
Growth with High Margin

Trends of annualized premium in force

(Billions of yen)



New business Margin Comparison (EEV, MCEV)



(Note) Company A, B, C, D and G adopt EEV.

NKSJ Himawari, Company E and F adopt MCEV.

Source: Company disclosures

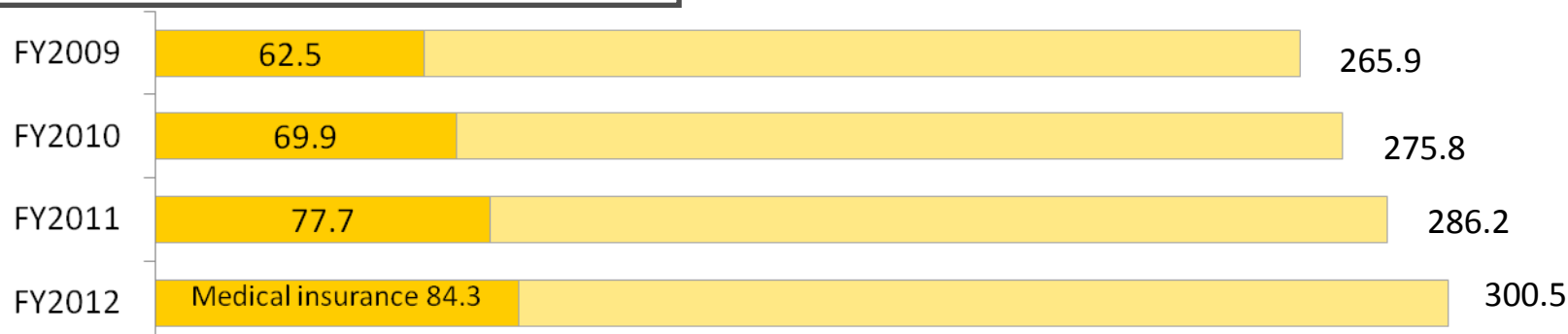
1. Annualized new premium as of September 30, 2013
 2. Annualized premium in force as of September 30, 2013

Topics of domestic life insurance (2)

- ◆ MCEV is expanding due to growth in highly profitable protection-type products (medical insurance etc.)

Trends of annualized premium in force

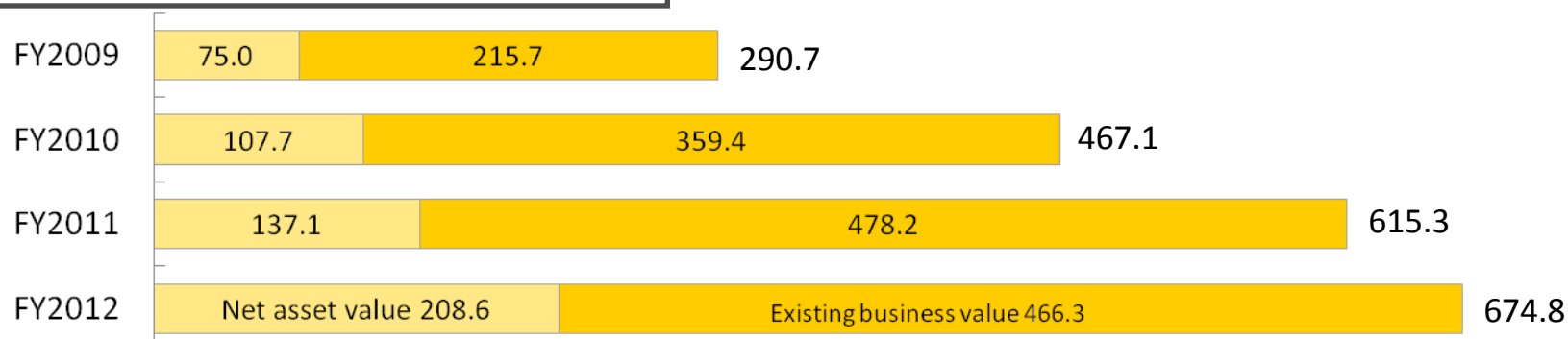
(Billions of yen)



*Sum of Sompo Japan Himawari Life and Nipponkoa Life for FY2009

Trends of MCEV

(Billions of yen)

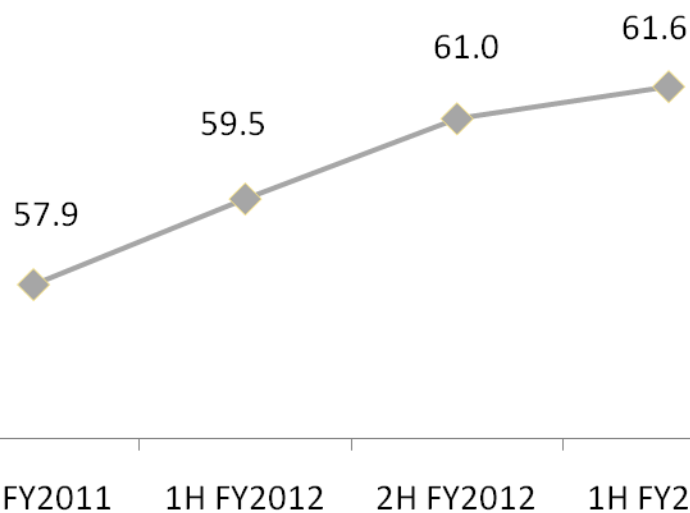


*Sum of Sompo Japan Himawari Life and Nipponkoa Life for FY2009. Nipponkoa Life disclosed its TEV at the time of announcement of financial results for FY2010, however its figures shown above are MCEV which was provisionally calculated afterward.

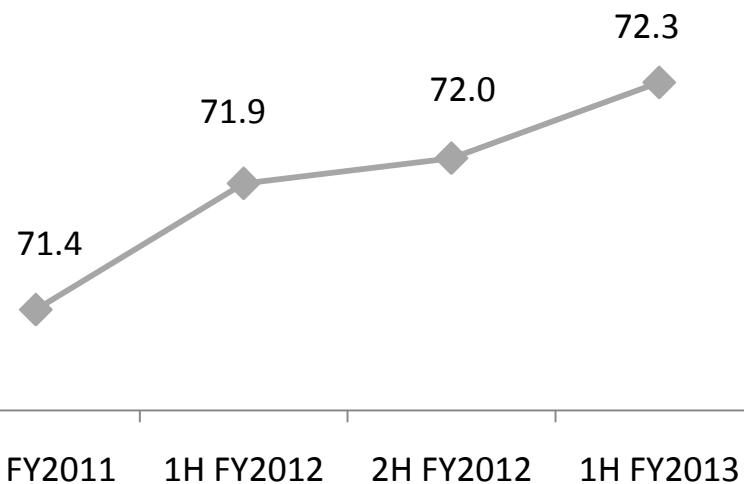
Topics of domestic life insurance (3)

- ◆ P&C channel weight has increased as the activities of sales representatives at P&C agencies expanded.

**Weight of P&C insurance channel
(Annualized new premium)**



**Weight of protection type products
(The number of policies in force)**



Annualized new premium and Annualized premium in force

- ◆ Increase in business in force contributes to the trend of premium growth and increase in net income.
- ◆ Shift toward protection-type products is continuing.

(Billions of yen)	FY2010	FY2011	FY2012	FY2013 (E)	Change	1H FY2012	1H FY2013	Change
Amount of new business	3,067.3	2,968.3	3,043.3	—	—	1,387.0	1,293.9	-6.7 (%)
Annualized new premium	38.1	36.7	38.5	—	—	17.2	15.0	-12.4 (%)
Premium and other income	355.1	360.1	370.7	382.8	+ 3.3 (%)	177.9	182.4	+2.5 (%)
(excl. lump-sum payment)	330.6	345.8	365.3	377.7	+ 3.4 (%)	175.7	180.4	+2.7 (%)
Ordinary profit	1.8	4.2	11.4	13.8	+ 21.0 (%)	4.4	7.3	+63.0 (%)
Net income	-1.7	-11.1	4.4	6.2	+ 41.5 (%)	1.3	3.3	+146.1 (%)

(Billions of yen)	End of FY2012	End of 1H FY2013	Change	(Billions of yen)
Amount of business in force	19,164.7	19,681.6	+ 516.8 (+2.7%)	Change
Annualized premium in force	300.5	304.3	+ 3.8 (+1.3%)	Protection-type +3.7
				Saving-type +0.1
				Total +3.8

Breakdown

*Amount of business and annualize premium are the sum of individual insurance and individual annuities.

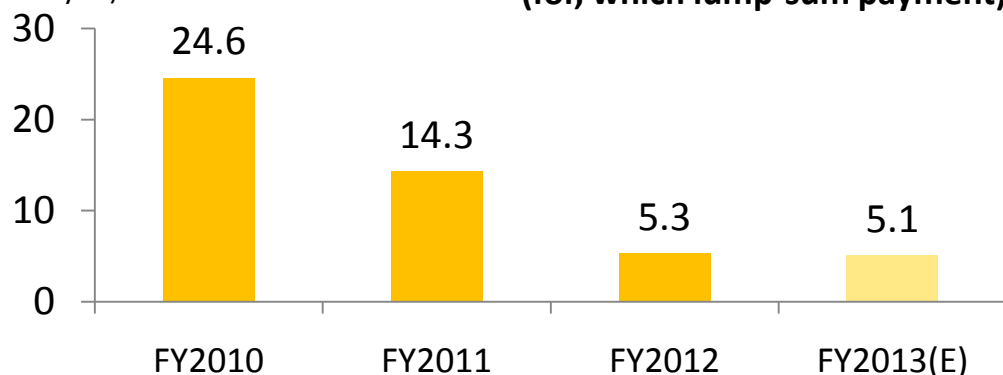
Insurance premiums and others

◆ Insurance premiums excluding low-margin lump-sum payment products steadily increased.

Income from insurance premiums

(for, which lump-sum payment)

(Billions of yen)



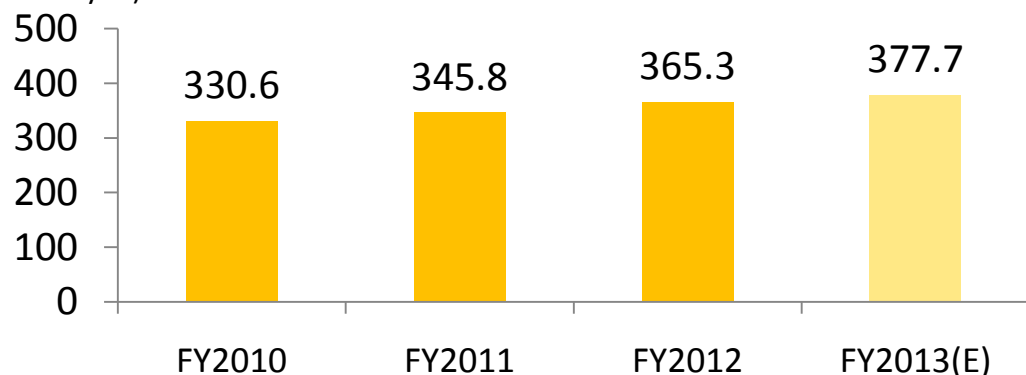
1H FY2013 vs. 1H FY2012



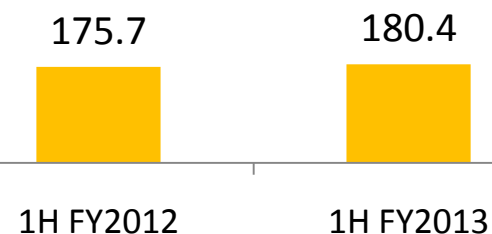
Income from insurance premiums

(excluding lump-sum payment)

(Billions of yen)



1H FY2013 vs. 1H FY2012

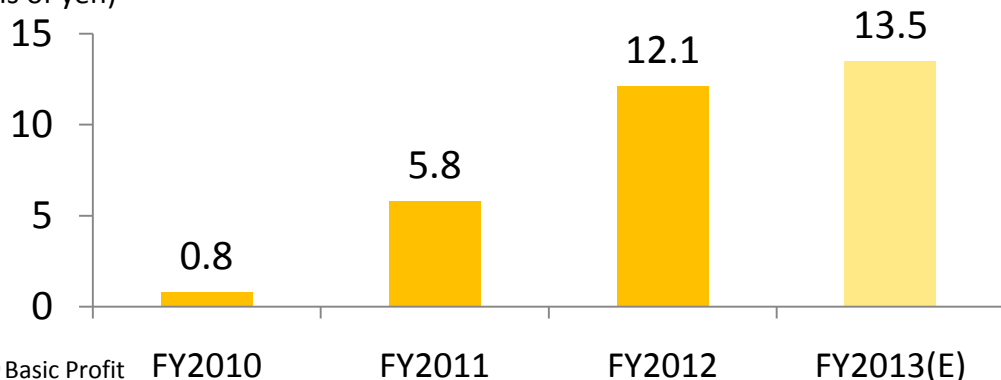


Accounting profit (J-GAAP)

- ◆ Basic profit is expected to continue increasing due to the accumulation of business in force.
- ◆ Net income is expected to remain in the black and increase.

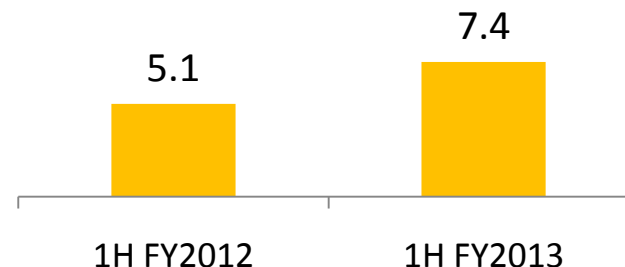
Basic Profit*

(Billions of yen)



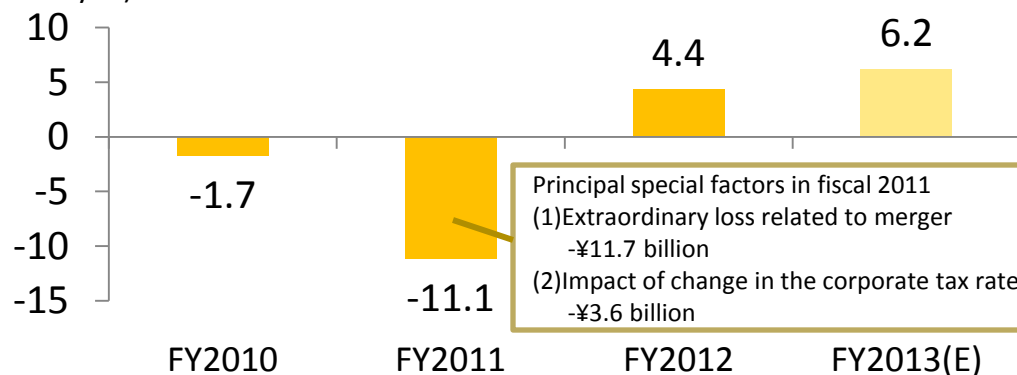
*Basic Profit FY2010 FY2011 FY2012 FY2013(E)
Akin to a general business corporation's operating profit or a bank's business profit, basic profit is after deduction of capital gain or loss, such as gain or loss on the sale of securities from recurring profit, and one-time gains or losses such as provision for contingency reserve.

1H FY2013 vs. 1H FY2012



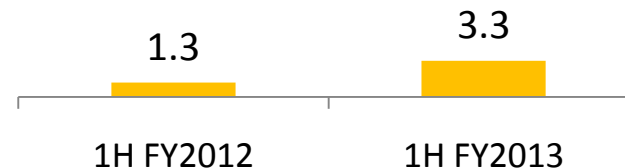
Net income

(Billions of yen)



Principal special factors in fiscal 2011
(1) Extraordinary loss related to merger
-¥11.7 billion
(2) Impact of change in the corporate tax rate
-¥3.6 billion

1H FY2013 vs. 1H FY2012



Embedded value (EV)

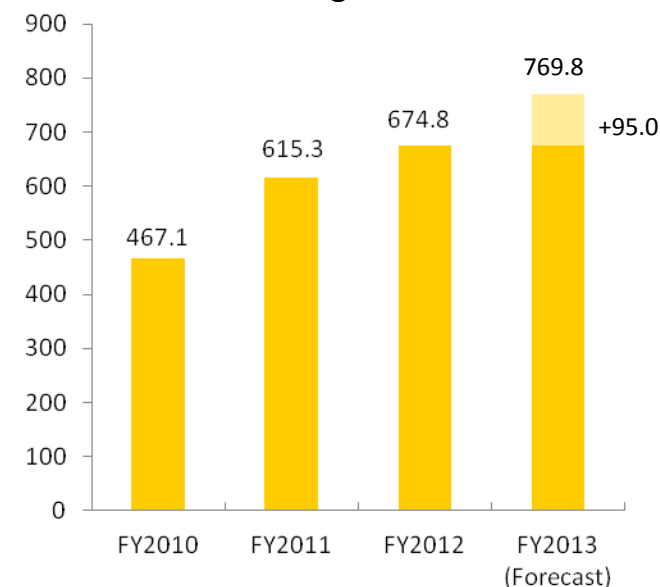
- ◆ A high level of growth in adjusted EV is expected to be sustained due to favorable sales of protection-type products.

(Billions of yen)

	FY2011	FY2012	FY2013	
	Actual	Actual	Forecast	Change
New Business Value *1	46.4	47.1	53.0	+ 5.9
Expected existing business contribution	25.7	33.8	39.0	+ 5.2
Sub-total	72.1	80.9	92.0	+ 11.1
Experience variances and assumption change	27.9	26.9	3.0	-23.9
Growth in adjusted EV	100.0	107.8	95.0	-12.8
Other operating/non-operating variances *2	64.0	-20.4	-	+ 20.4
Economic variances	-15.7	-28.0	-	+ 28.0
Change of EV amount	148.3	59.4	95.0	+ 35.6
EV as of the end of fisca year	615.3	674.8	769.8	+95.0

(Billions of yen)

Change of MCEV



- Change of MCEV does not agree with growth in adjusted EV because there are economic variances and other operating/non-operating variances.

*1 Excludes the impact of a 6.4 billion yen corporate income tax reduction

from the 52.8 billion yen shown in the MCEV disclosure materials for FY2011 results. (The excluded amount of 6.4 billion yen is included in other operating/non-operating variances of 64.0 billion yen.)

*2 Other operating/non-operating variances

a) FY2011: Corporate tax reduction, model elaboration, etc.

b) FY2012 : Change in surrender risk factor in non-hedgeable risks, and consumption tax rate increase, etc.

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Overseas investment strategy

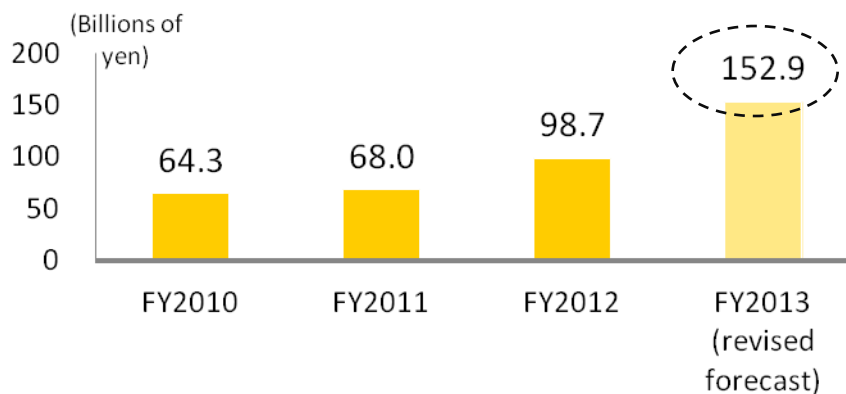
- ◆ No changes in the strategy for overseas insurance business. The Company will execute selective and disciplined investment mainly in targeted investment markets, achieving both sustained growth and shareholder value enhancement.
- ◆ In the key region of Brazil, the Company made Maritima Seguros S.A. a consolidated subsidiary in June 2013.

Market		Current	Directions	
	US Europe	Commercial (Specialty)	Writing commercial lines, mainly Japanese corporate clients (Consolidating subsidiaries of Sompo Japan and Nipponkoa in the US and Europe)	
	Brazil	Retail etc.	Yasuda Seguros (established in 1958) and Maritima, became a subsidiary in 2013, are 10 th in total in the market.	
	Turkey		Sompo Japan Sigorta, acquired in 2010, is 11 th in the market.	
	Malaysia		Berjaya Sompo, acquired in 2011, is 12 th in the market.	
	Thailand		Sompo Japan Nipponkoa Thailand.	
	Indonesia		Sompo Japan Nipponkoa Indonesia.	
	India		Universal Sompo (A joint venture established in 2007)	
	China		Merging Sompo Japan China and Nipponkoa China.	
			Key regions	Aim to be a major player
			Business platform development regions	Anticipating future growth

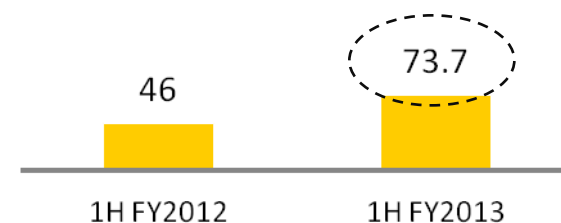
Trend of overseas insurance business

◆ Progressed against the projection steadily in both top-line and bottom-line.

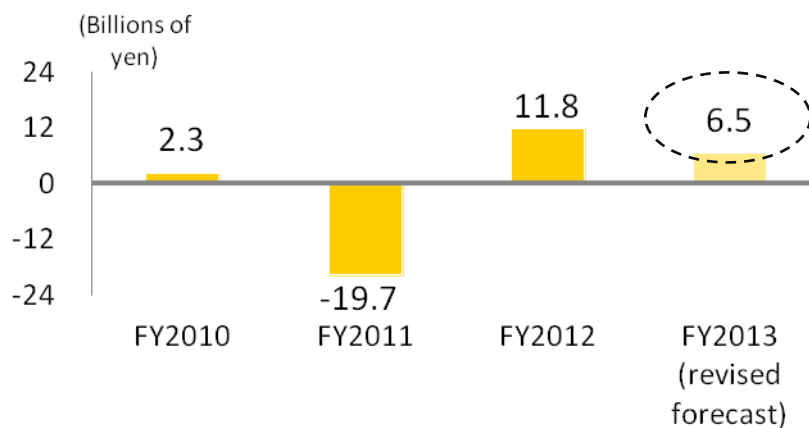
**Net
premiums
written**



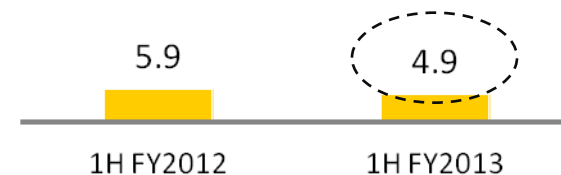
1H FY2013 vs. 1H FY2012



**Net
income**



1H FY2013 vs. 1H FY2012



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

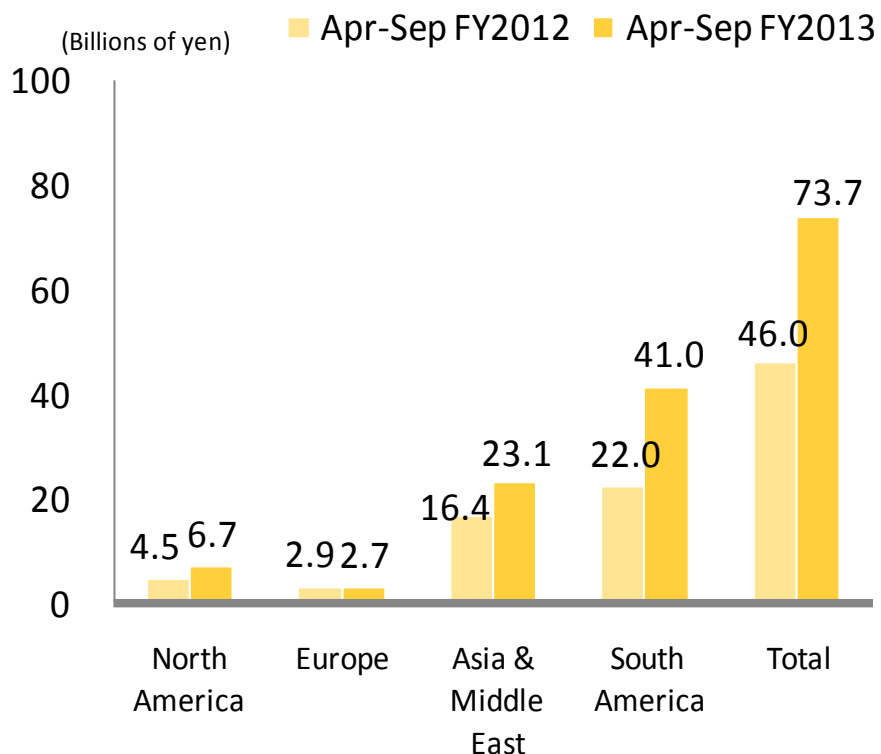
*Net income reflects holding shares of each subsidiary and affiliate, and figures are before consolidation adjustments excluding Tenet Sampo (former SJ Singapore), SJNK Europe (former SJ Europe) and SJ Asia Holdings for FY2012

* SJ Singapore merged with Tenet in January 2013 and became Tenet Sampo.

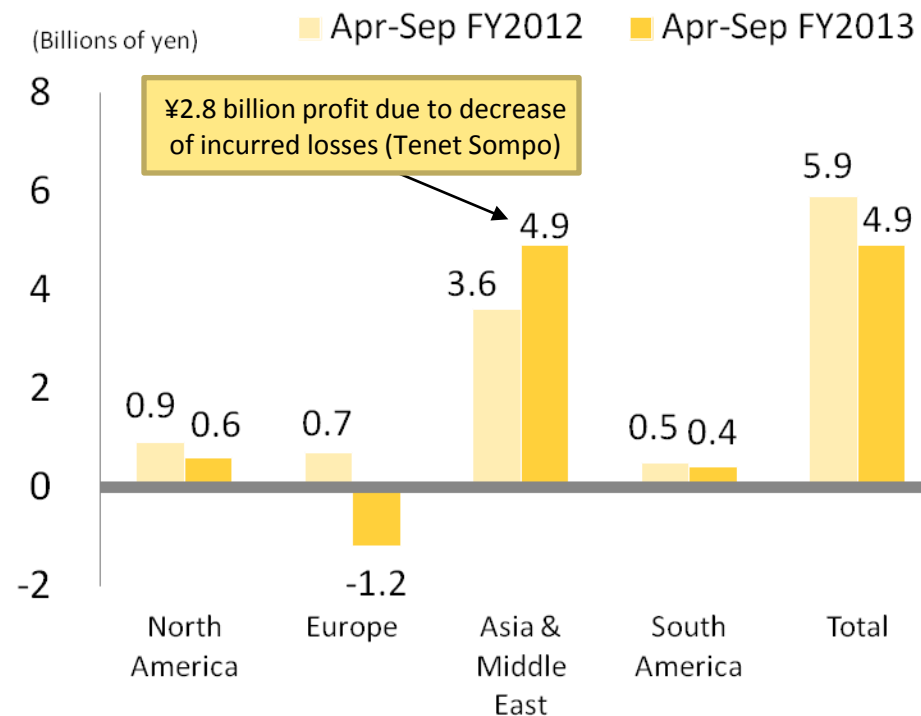
Overview of business results by area

◆ Net premiums written Increased in that of Brazil and Turkey mainly.

Net premiums written



Net Income



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

*Net income reflects holding shares of each subsidiary and affiliate, and figures are before consolidation adjustments excluding Tenet Somp (former SJ Singapore) and SJNK Europe (former SJ Europe) for FY2012.

Overseas assumed reinsurance business

- ◆ From the viewpoint of diversifying global risk, we are making steady progress in the overseas reinsurance business.
- ◆ Based on rigorous risk management, we aim to expand businesses with profit.

Mid-term vision and its progress

	FY2011 (actual)	FY2012 (actual)	FY2013 (Forecast)	FY2015 (Plan)
Overseas assumed reinsurance net premiums written	¥23.7 billion	¥34.0 billion	¥47.0 billion	¥60.0 billion
(vs. total net premium written)	(1.4%)	(2.0%)	(2.7%)	(3.4%)

- CALI is excluded from total net premium written.
- Overseas assumed reinsurance net premium written is included in the domestic P&C insurance business for the management numerical targets.

Prioritized categories

General risk in Asia

- Markets with high growth potential
- In Hong Kong, etc. Over 20 years track record

General risk in western countries

- Huge markets centered on developed countries
- Highly stable earnings

Risk of overseas natural disasters

- Risk of natural disasters mainly in Europe and the U.S.
- Conduct quantitative assessments and analysis using the latest technology

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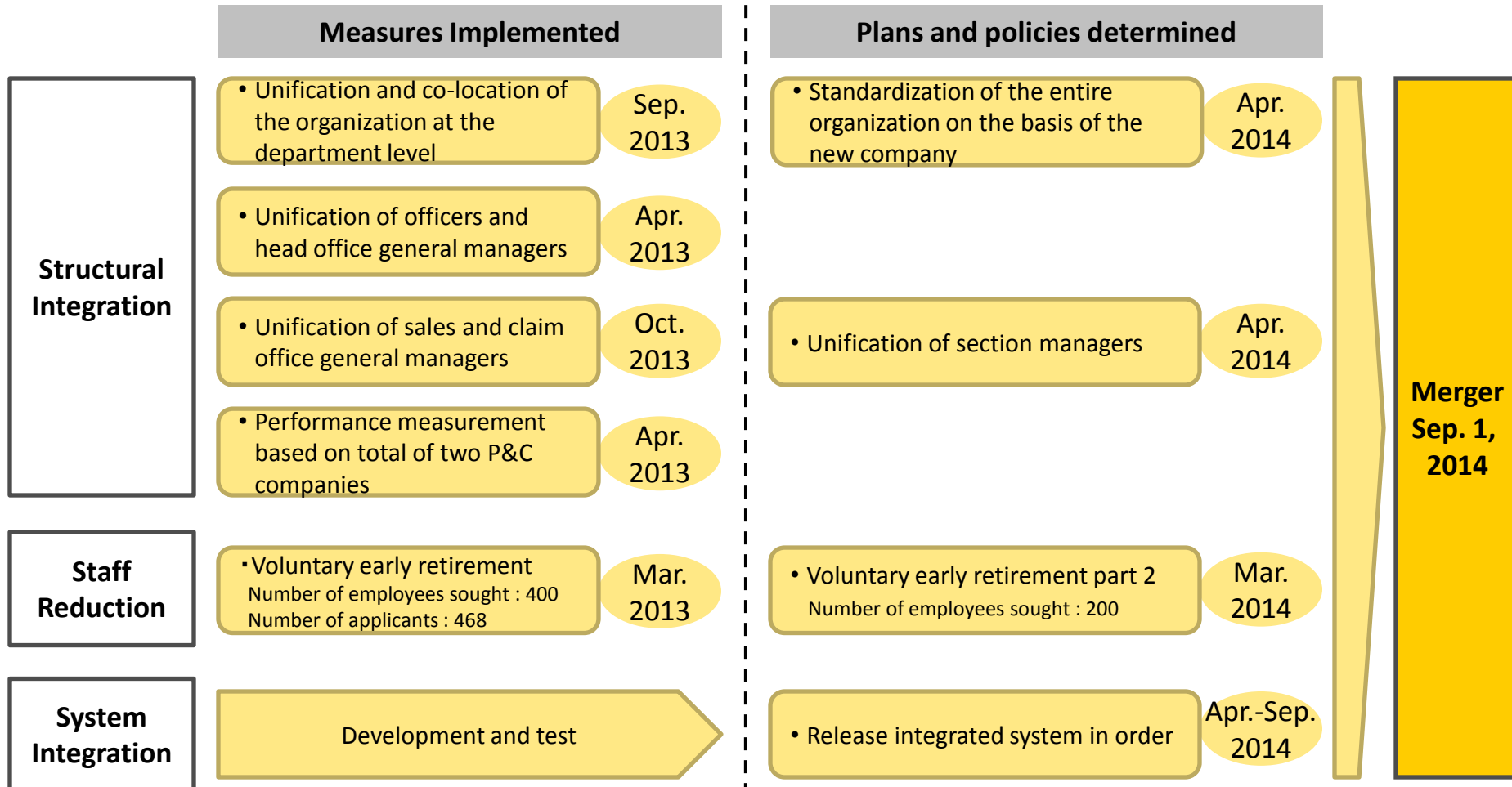
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Sompo Japan NipponKoa - Progress to Merger

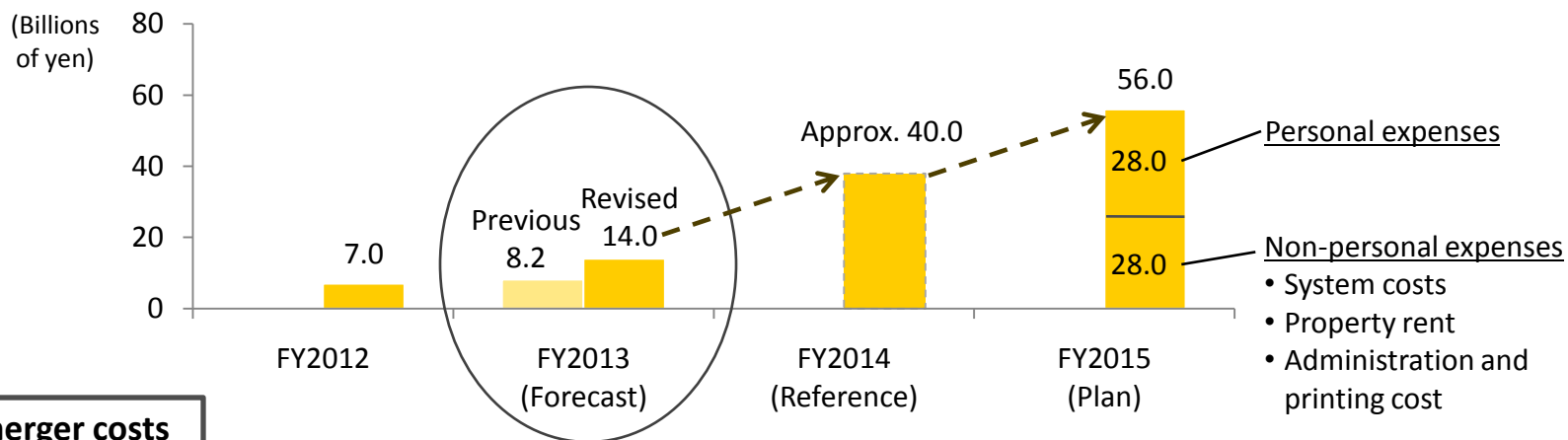
◆ Arrangement for merger of Sompo Japan and Nipponkoa, scheduled on September 1, 2014, is going smoothly



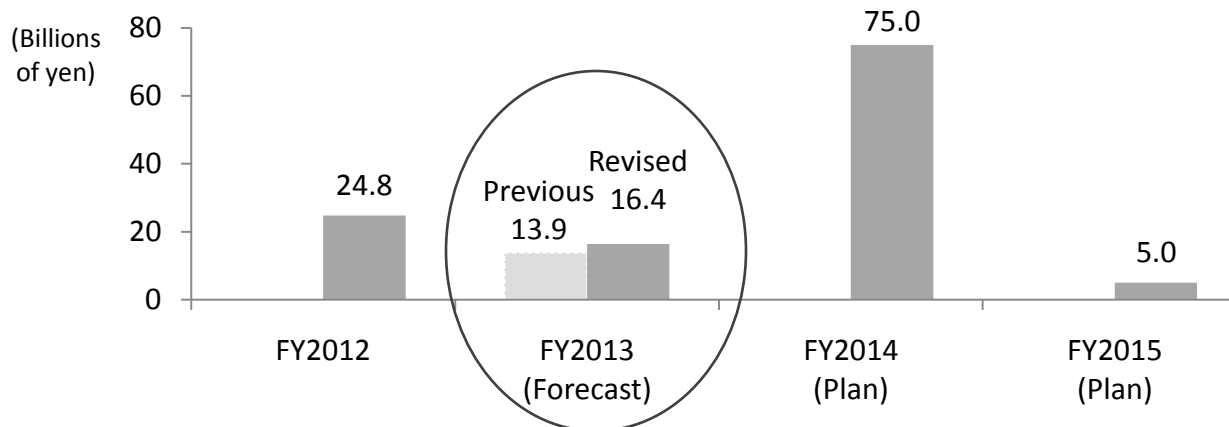
Merger synergies and one-time merger costs

- ◆ FY2013 is progressing mostly in line with the plan, with both the merger synergies and the one-time costs increasing slightly compared to initial forecasts
- ◆ Merger synergies in fiscal 2015 are projected at ¥56 billion

Merger synergies



One-time merger costs



* One-time merger costs correspond to special factors, therefore merger costs are excluded from the calculation process of adjusted profit.

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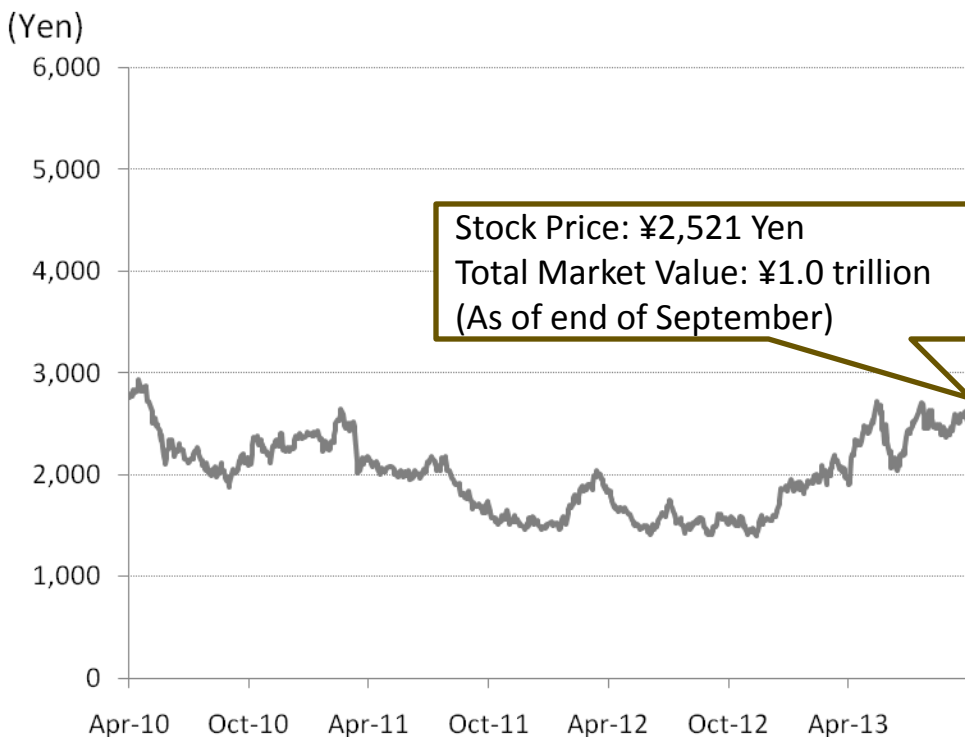
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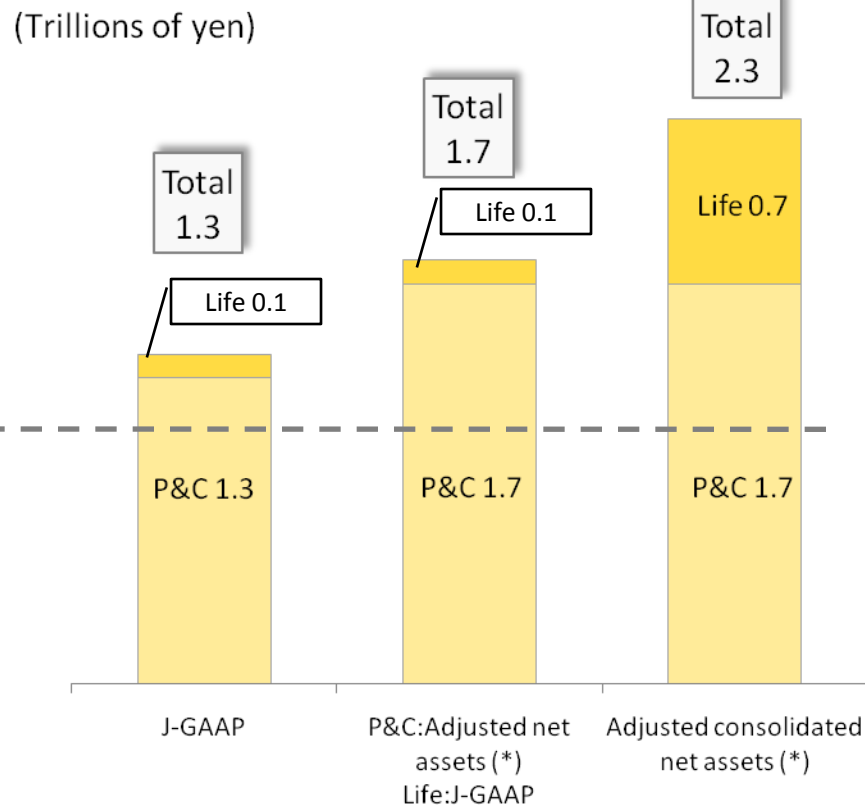
Stock Price and Net Asset

- ◆ Stock price remains under net assets per share.
- ◆ Aiming to improve our valuation by achieving target profit and ROE.

Trend of stock price and total market value



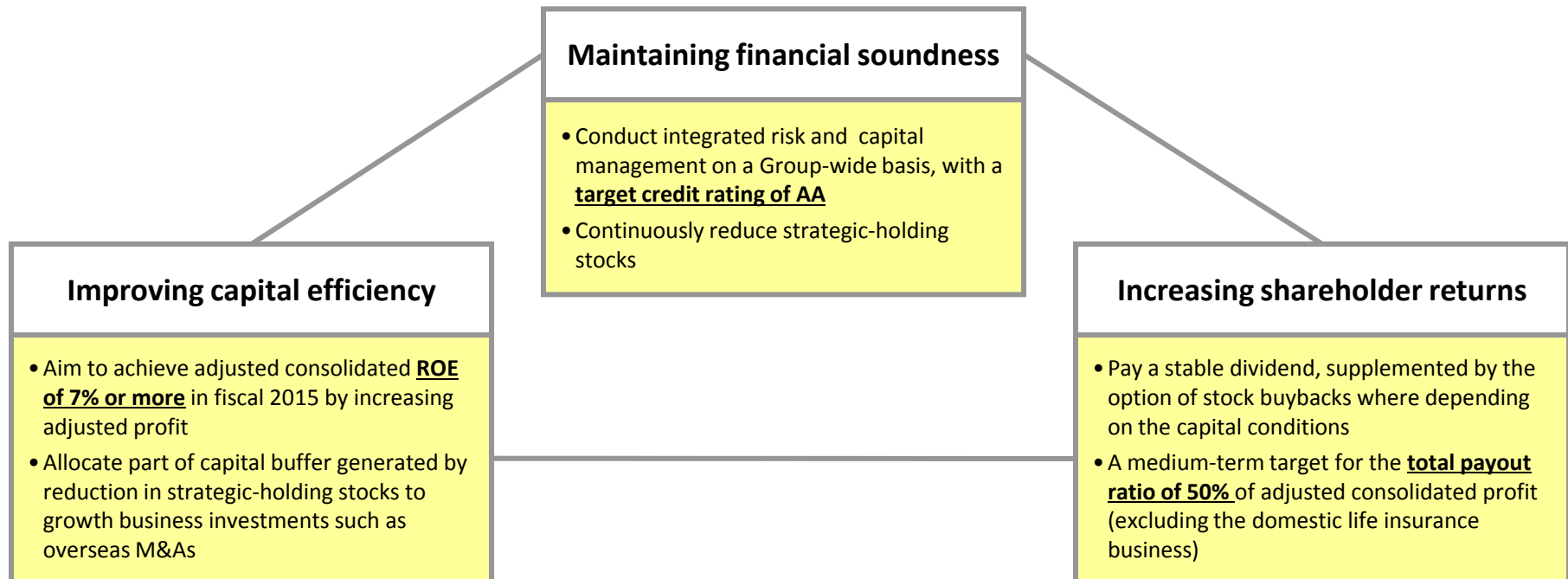
Consolidated Net Assets (As of End of September 2013)



(*) Adjusted consolidated net assets = P&C adjusted net assets + Life adjusted net assets
 • P&C adjusted net assets = Consolidated net asset (excl. unrealized gain and life) + Unrealized gains on Securities + Catastrophic Loss Reserve, etc.
 • Life adjusted net assets = Life EV
 See Page 45 in detail about each item above.

Capital management policy

- ◆ The NKSJ Group will balance three imperatives, namely "maintaining financial soundness," "improving capital efficiency," and "increasing shareholder returns," while aiming to increase corporate value.



Adjusted consolidated net assets

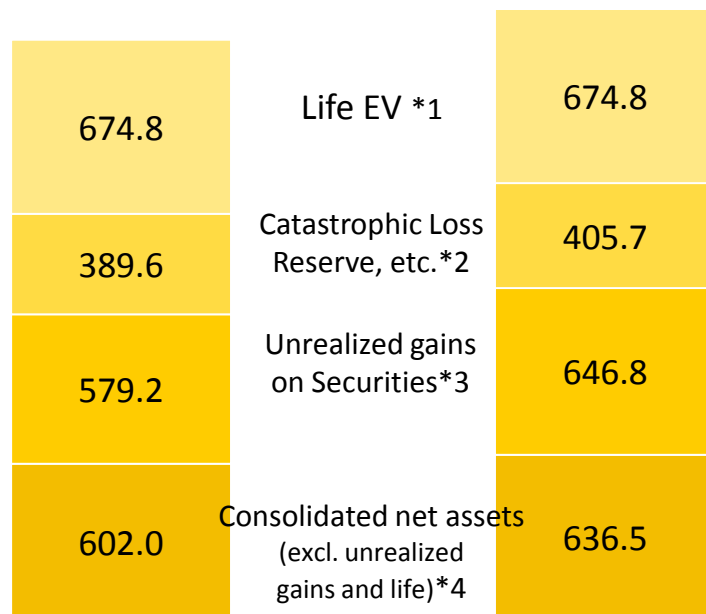
- ◆ Adjusted consolidated net assets increased mainly due to the increase in unrealized gains on securities.
- ◆ Adjusted consolidated net asset per share is ¥5,743.

Adjusted consolidated net assets

(Billions of yen)

Total 2,245.8
(¥5,415 per share)

Total 2,364.0
(¥5,743 per share)



End of Mar. 2013

End of Sep. 2013

*1 Life insurance EV is the nominal price before deduction of changes in EV attributable to interest rate movements. However, in the case of adjusted profit, which is the subject of the management plan, the growth in EV is the value after deduction of changes in EV attributable to interest rate movements. As EV is calculated annually, the figure as of the end of September 2013 is the same as of the end of March 2013.

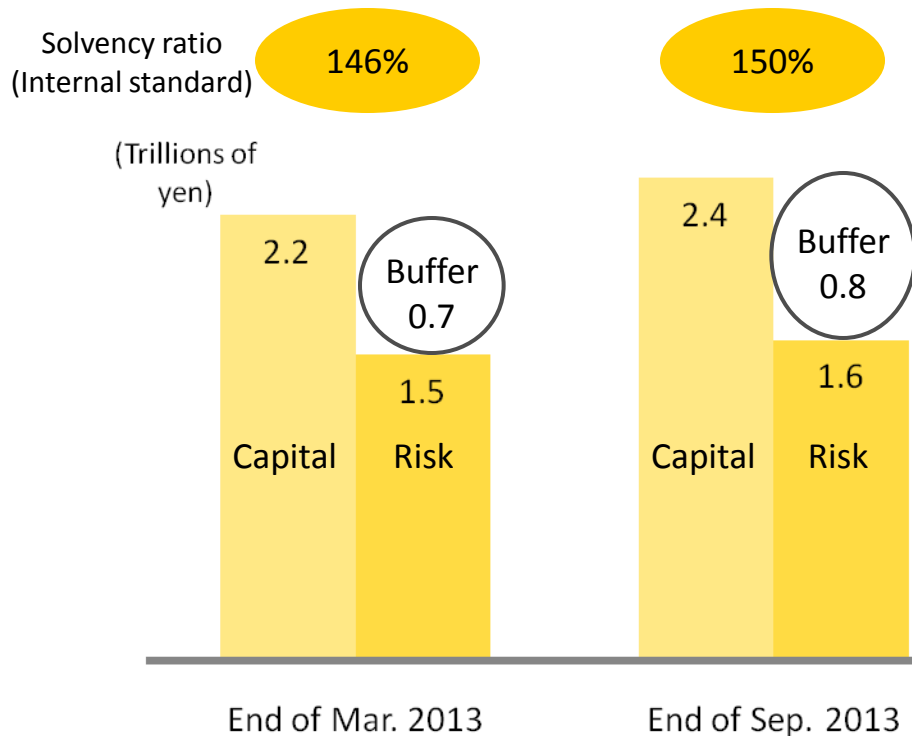
*2 Catastrophic loss reserve, etc. is the total of catastrophic loss reserve plus price fluctuation reserve, both after tax

*3 Unrealized gains/losses on securities is after tax.

*4 Consolidated net product excludes Himawari Life Insurance's net assets and the unrealized gains/losses on securities.

Financial soundness – Internal standard

◆ Solvency ratio and capital buffer are maintained at the same level as the end of the previous FY.



Financial market fluctuation sensitivity (End of September 2013)

	Capital (Billions of yen)	Solvency ratio
Change in stock price by 30% increase	+323.7	+8.7pt
Change in stock price by 30% decrease	-323.7	-10.1pt
10% depreciation in yen exchange rate	+63.1	+2.7pt
10% appreciation in yen exchange rate	-63.1	-2.4pt
50bps increase in interest rates	+29.9	+2.1pt
50bps decrease in interest rates	-45.6	-3.9pt

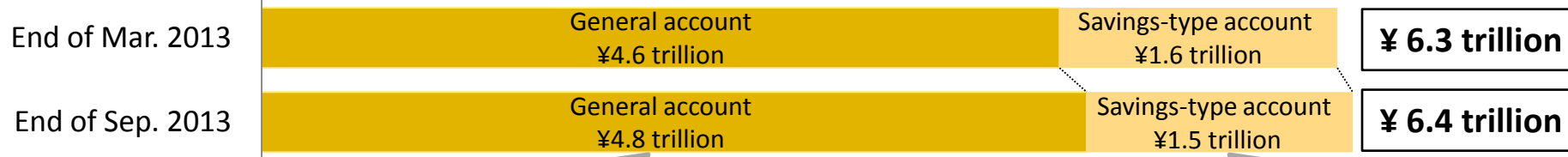
Definition, etc.

- Risk: 1 year holding period, 99.95% VaR (AA equivalent confidence level)
- Capital: Sum of net assets on the balance sheet, subordinated debt, catastrophic loss reserve, reserve for price fluctuations, etc.
- After-tax basis (calculated according to European Solvency II)
- Solvency ratio: Ratio of capital / risk

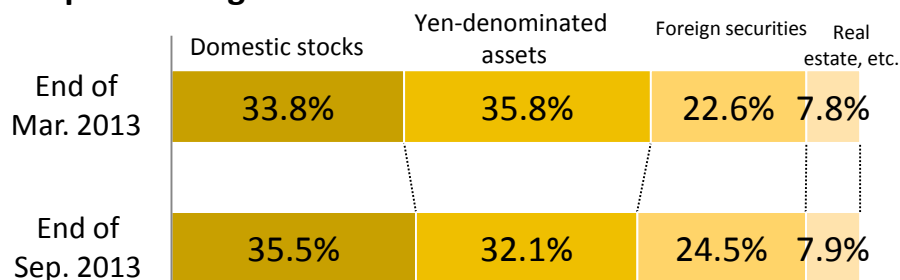
Asset Portfolio – Domestic P&C Insurance

- ◆ The general account is managed with diversified investments, while the savings-type account utilizes portfolio management based on ALM.
- ◆ The proportion of domestic stocks (=strategic holding stocks) increased 1.7pt to 35.5% due to rising prices of stocks.

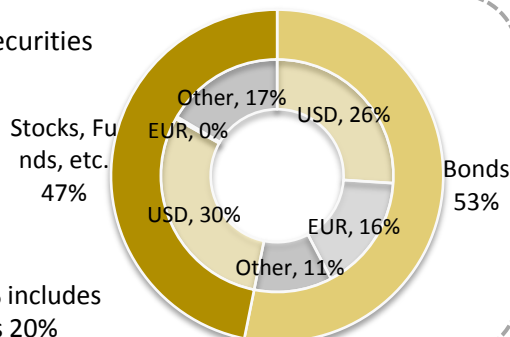
Amount of investment asset * Sum of Sampo Japan and Nipponkoa



Proportion of general account

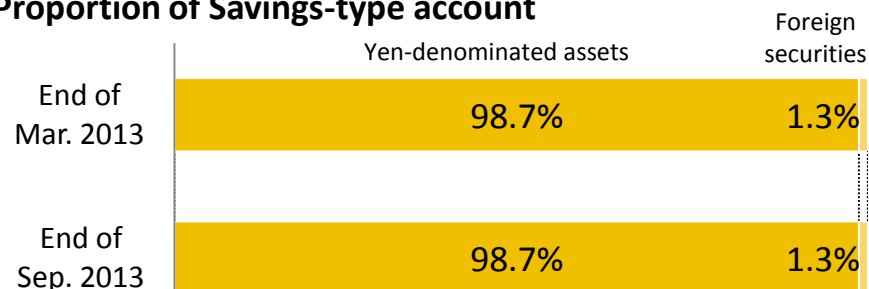


Breakdown of foreign securities (foreign currencies) (End of Sep. 2013)



* Stocks/Funds, etc. 47% includes stocks of subsidiaries 20%

Proportion of Savings-type account

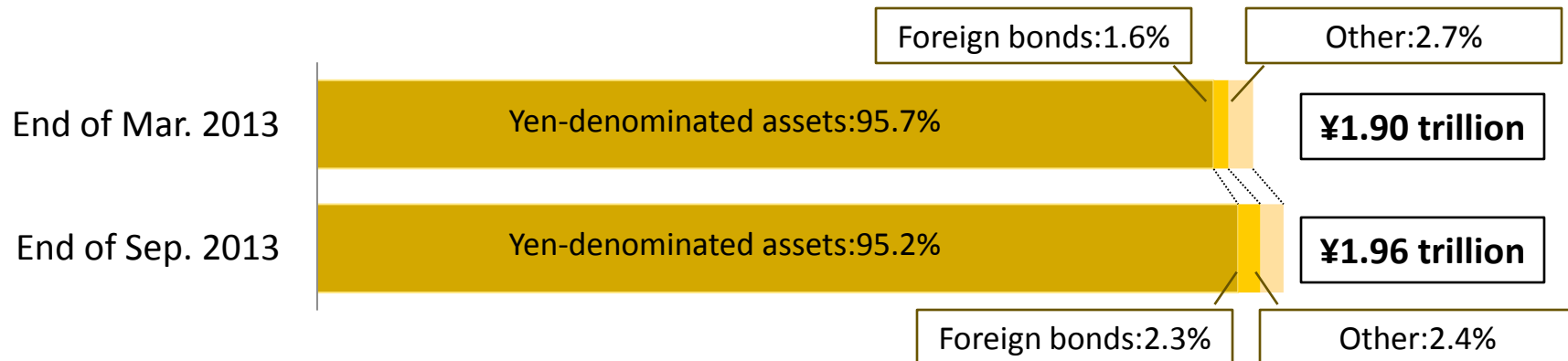


Savings-type Duration	End of Mar.2013	End of Sep.2013
Asset	Approx 5y	Approx 5y
Liability	Approx 6y	Approx 6y

Investment Portfolio – Domestic Life Insurance

- ◆ Maintained a conservative asset portfolio, based on the high profitability of life insurance products
- ◆ Continuing to extend asset duration gradually, aiming to reduce the duration gap between assets and liabilities.

Amount of investment assets * NKSJ Himawari Life



Asset/Liability Duration

	End of Mar. 2013	End of Sep. 2013
Asset	Approx 12 years	Approx 12 years
Liability	Approx 16 years	Approx 15 years

*The liabilities duration assumes the same interest rate sensitivity (changes in fair value) for assets and liabilities

Reducing strategic holding stocks

- ◆ In FY2013, intend to reduce strategic-holding stocks close to the amount reduced in the previous FY (¥197.8 billion). (However it depends on the level of the stock market)
- ◆ Net reduction in April – September was ¥107.5 billion including futures short positions. It was equivalent to 50% of annual reduction in the previous FY.

Net reduction *1

(Billions of yen)

April – September 2013 Actual

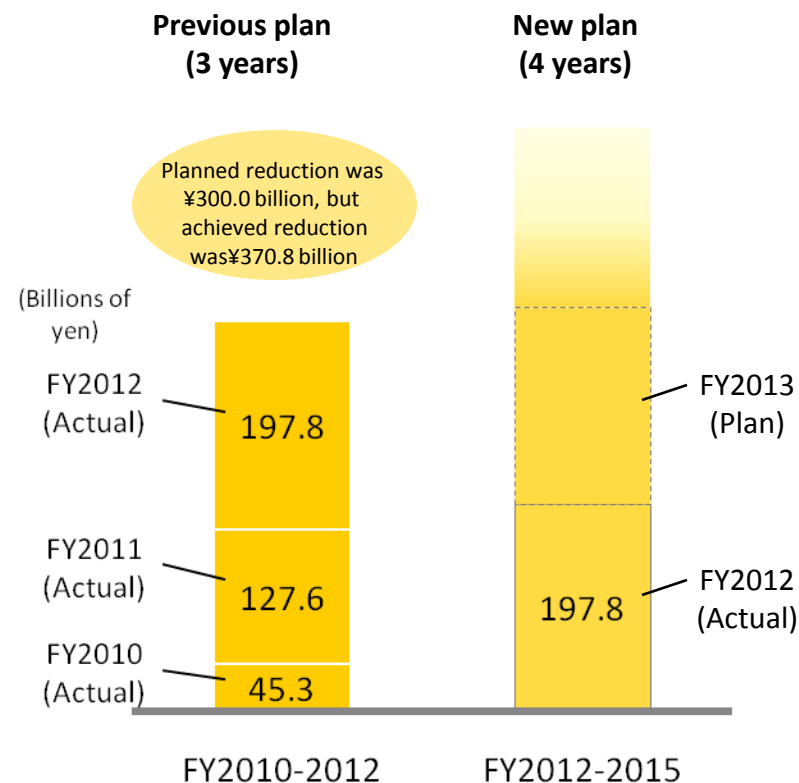
	Actual	Stock future *2	Total
Sompo Japan	30.5	37.6	68.2
Nipponkoa	13.2	26.1	39.3
Sum of two companies	43.7	63.8	107.5

*1 Net reduction = Market value of sales – Market value of purchase

*2 Short position of Nikkei 225 Futures.

Average price of the positions exceeded the level of Nikkei225 as of the end of the previous fiscal year.

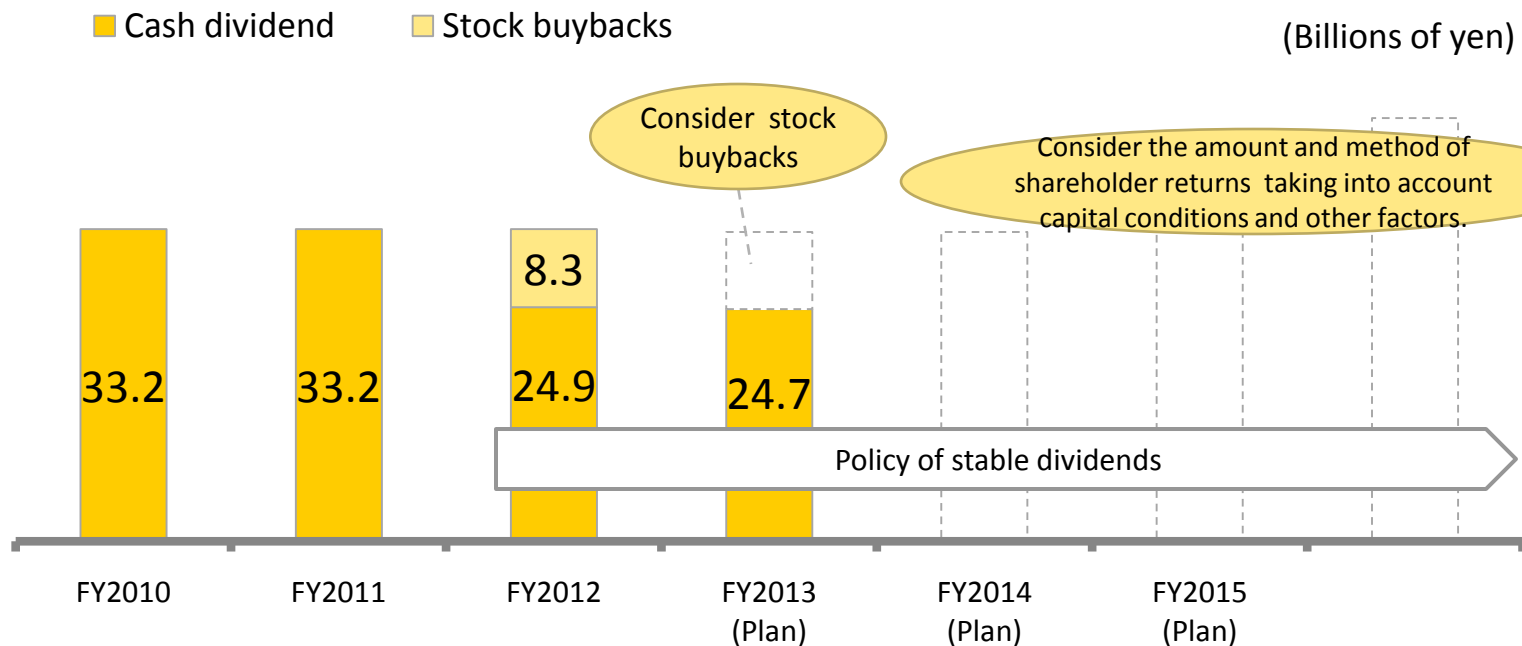
Strategic holding stocks reducing plan



Shareholder returns

- ◆ In FY2013 our forecast is to maintain dividends at ¥24.7 billion (¥60 per share). Based on the upwards revision of the full-year business forecasts and the capital conditions, we will examine the option of stock buybacks.
- ◆ From FY2014, we will decide on the amount of total shareholder returns, including whether to conduct stock buybacks, after considering the capital conditions and other factors, while maintaining stable dividends of ¥60 per share at the very least.
- ◆ We began paying interim dividends (¥30 per share) from FY2013.

Trend of total shareholder returns



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Overview of 1H FY2013 Results

Millions of yen

	1H FY2011		1H FY2012				1H FY2013			
	Sompo Japan	Nipponkoa	Sompo Japan		Nipponkoa		Sompo Japan		Nipponkoa	
				Change		Change		Change		Change
Net premiums written	648,064	319,812	669,481	+ 21,416	322,577	+ 2,764	703,526	+ 34,045	332,869	+ 10,292
(excl. CALI)	561,797	281,255	573,682	+ 11,885	279,490	- 1,765	603,083	+ 29,401	287,676	+ 8,186
Loss ratio	79.0%	88.0%	69.6%	- 9.4pt	74.7%	- 13.3pt	62.9%	- 6.7pt	66.1%	- 8.6pt
(excl. CALI)	76.2%	86.5%	66.1%	- 10.1pt	72.2%	- 14.3pt	59.2%	- 6.9pt	63.0%	- 9.1pt
Expense ratio	33.2%	34.4%	33.0%	- 0.2pt	34.4%	- 0.0pt	31.7%	- 1.3pt	34.2%	- 0.3pt
(excl. CALI)	34.4%	35.9%	34.7%	+ 0.3pt	36.6%	+ 0.7pt	33.4%	- 1.3pt	36.5%	- 0.1pt
Combind ratio	112.2%	122.5%	102.6%	- 9.7pt	109.2%	- 13.3pt	94.6%	- 8.0pt	100.3%	- 8.9pt
(excl. CALI)	110.6%	122.4%	100.8%	- 9.8pt	108.8%	- 13.6pt	92.6%	- 8.2pt	99.5%	- 9.2pt
Underwriting result	- 79,152	- 71,906	- 17,154	+ 61,998	- 29,627	+ 42,278	38,263	+ 55,418	- 946	+ 28,681
(excl. CALI)	- 59,542	- 62,865	- 4,503	+ 55,038	- 24,495	+ 38,369	44,902	+ 49,406	1,298	+ 25,794
Underwriting profit (loss)	- 20,411	- 1,500	- 5,158	+ 15,253	9,788	+ 11,289	- 4,091	+ 1,067	- 2,689	- 12,478
Investment profit	6,955	13,104	- 28,332	- 35,288	17,560	+ 4,455	28,596	+ 56,929	28,080	+ 10,519
Ordinary profit (loss)	- 19,766	10,020	- 38,472	- 18,706	26,178	+ 16,158	16,833	+ 55,306	24,972	- 1,206
Net income (loss)	- 10,484	7,382	- 23,585	- 13,101	18,097	+ 10,715	4,373	+ 27,958	15,578	- 2,519

【reference】 Adjusted profit

Net income (loss)	- 10,484	7,382	- 23,585	- 13,101	18,097	+ 10,715	4,373	+ 27,958	15,578	- 2,519
+provision for catastrophic loss reserve (net of tax)	- 421	- 12,007	- 12,419	- 11,998	- 17,448	- 5,441	12,355	+ 24,775	1,092	+ 18,541
+provision for price fluctuation reserve (net of tax)	- 5,364	915	- 7,979	- 2,615	888	- 26	1,770	+ 9,749	871	- 17
-realized gains/losses and devaluation losses on securities (net of tax)	- 8,023	3,223	- 30,079	- 22,056	4,878	+ 1,655	3,924	+ 34,004	10,175	+ 5,297
-Extraordinary items (net of tax)	---	---	- 1,198	- 1,198	- 593	- 593	- 2,913	- 1,714	- 1,497	- 904
Adjusted profit	- 8,247	- 6,932	- 12,706	- 4,458	- 2,747	+ 4,185	17,487	+ 30,193	8,863	+ 11,611

Premiums

Direct premiums written (excl. deposit premiums on saving-type policies)

Millions of yen

	1H FY2011						1H FY2012						1H FY2013					
	Sompo Japan			Nipponkoa			Sompo Japan			Nipponkoa			Sompo Japan			Nipponkoa		
	Amount	Change	Change	Amount	Change	Change	Amount	Change	Change	Amount	Change	Change	Amount	Change	Change	Amount	Change	Change
Fire & allied lines	87,546	+ 4,234	+ 5.1%	58,099	+ 2,549	+ 4.6%	89,914	+ 2,367	+ 2.7%	58,028	- 70	- 0.1%	94,841	+ 4,927	+ 5.5%	59,366	+ 1,337	+ 2.3%
Marine	16,035	- 59	- 0.4%	7,465	+ 55	+ 0.7%	16,567	+ 531	+ 3.3%	7,065	- 399	- 5.4%	18,604	+ 2,037	+ 12.3%	7,645	+ 579	+ 8.2%
Personal Accident	70,150	+ 2,107	+ 3.1%	26,703	- 106	- 0.4%	70,839	+ 688	+ 1.0%	26,981	+ 277	+ 1.0%	71,138	+ 299	+ 0.4%	26,433	- 547	- 2.0%
Voluntary Automobile	319,777	- 37	- 0.0%	158,691	+ 667	+ 0.4%	326,925	+ 7,147	+ 2.2%	161,738	+ 3,046	+ 1.9%	338,639	+ 11,713	+ 3.6%	162,440	+ 701	+ 0.4%
CALI	97,618	+ 6,823	+ 7.5%	42,796	+ 3,344	+ 8.5%	101,658	+ 4,040	+ 4.1%	44,832	+ 2,036	+ 4.8%	112,839	+ 11,180	+ 11.0%	49,087	+ 4,254	+ 9.5%
Other	98,926	- 698	- 0.7%	46,621	+ 306	+ 0.7%	103,289	+ 4,363	+ 4.4%	47,597	+ 975	+ 2.1%	112,986	+ 9,696	+ 9.4%	49,267	+ 1,670	+ 3.5%
(of which, liability)	(63,770)	(- 1,254)	(- 1.9%)	(24,893)	(+ 678)	(+ 2.8%)	(64,157)	(+ 387)	(+ 0.6%)	(25,077)	(+ 184)	(+ 0.7%)	(68,843)	(+ 4,685)	(+ 7.3%)	(25,179)	(+ 101)	(+ 0.4%)
All lines	690,055	+ 12,370	+ 1.8%	340,378	+ 6,816	+ 2.0%	709,193	+ 19,137	+ 2.8%	346,244	+ 5,866	+ 1.7%	749,049	+ 39,856	+ 5.6%	354,240	+ 7,995	+ 2.3%
All lines excl. CALI	592,437	+ 5,546	+ 0.9%	297,581	+ 3,472	+ 1.2%	607,535	+ 15,097	+ 2.5%	301,411	+ 3,829	+ 1.3%	636,210	+ 28,675	+ 4.7%	305,153	+ 3,741	+ 1.2%

Net premiums written

Millions of yen

	1H FY2011						1H FY2012						1H FY2013					
	Sompo Japan			Nipponkoa			Sompo Japan			Nipponkoa			Sompo Japan			Nipponkoa		
	Amount	Change	Change	Amount	Change	Change	Amount	Change	Change	Amount	Change	Change	Amount	Change	Change	Amount	Change	Change
Fire & allied lines	71,138	+ 3,619	+ 5.4%	44,278	+ 1,884	+ 4.4%	74,760	+ 3,621	+ 5.1%	39,857	- 4,420	- 10.0%	84,342	+ 9,582	+ 12.8%	44,453	+ 4,595	+ 11.5%
Marine	12,522	- 417	- 3.2%	6,894	- 54	- 0.8%	12,988	+ 466	+ 3.7%	6,583	- 310	- 4.5%	15,057	+ 2,068	+ 15.9%	7,707	+ 1,123	+ 17.1%
Personal Accident	69,476	+ 1,688	+ 2.5%	27,314	- 25	- 0.1%	70,399	+ 922	+ 1.3%	27,904	+ 589	+ 2.2%	71,043	+ 644	+ 0.9%	28,080	+ 176	+ 0.6%
Voluntary Automobile	320,882	+ 1,105	+ 0.3%	158,832	+ 890	+ 0.6%	327,952	+ 7,069	+ 2.2%	161,576	+ 2,743	+ 1.7%	339,640	+ 11,688	+ 3.6%	162,227	+ 651	+ 0.4%
CALI	86,267	+ 801	+ 0.9%	38,556	+ 276	+ 0.7%	95,798	+ 9,530	+ 11.0%	43,086	+ 4,530	+ 11.7%	100,442	+ 4,643	+ 4.8%	45,192	+ 2,106	+ 4.9%
Other	87,776	- 2,415	- 2.7%	43,935	+ 256	+ 0.6%	87,581	- 194	- 0.2%	43,567	- 368	- 0.8%	92,998	+ 5,416	+ 6.2%	45,207	+ 1,640	+ 3.8%
(of which, liability)	(59,260)	(- 1,144)	(- 1.9%)	(23,967)	(+ 702)	(+ 3.0%)	(58,053)	(- 1,206)	(- 2.0%)	(24,085)	(+ 117)	(+ 0.5%)	(61,918)	(+ 3,864)	(+ 6.7%)	(24,592)	(+ 506)	(+ 2.1%)
All lines	648,064	+ 4,382	+ 0.7%	319,812	+ 3,228	+ 1.0%	669,481	+ 21,416	+ 3.3%	322,577	+ 2,764	+ 0.9%	703,526	+ 34,045	+ 5.1%	332,869	+ 10,292	+ 3.2%
All lines excl. CALI	561,797	+ 3,580	+ 0.6%	281,255	+ 2,951	+ 1.1%	573,682	+ 11,885	+ 2.1%	279,490	- 1,765	- 0.6%	603,083	+ 29,401	+ 5.1%	287,676	+ 8,186	+ 2.9%

(reference) YOY change of number of cars and unit premium of auto insurance (September 30, 2013) *Sales premiums basis

	Sompo Japan			Nipponkoa		
	Number of cars insured	Unit premium	Premium	Number of cars insured	Unit premium	Premium
Non-fleet	- 0.3%	+ 4.8%	+ 4.5%	- 3.1%	+ 4.4%	+ 0.5%
Fleet	+ 1.8%	+ 3.5%	+ 5.4%	- 7.4%	+ 12.8%	+ 5.1%
Total	+ 0.1%	+ 4.5%	+ 4.6%	- 4.0%	+ 6.0%	+ 1.3%

Claims paid/Loss Ratio

Net claims paid

Millions of yen

	1H FY2011				1H FY2012				1H FY2013			
	Sompo Japan		Nipponkoa		Sompo Japan		Nipponkoa		Sompo Japan		Nipponkoa	
	Amount	Change	Amount	Change	Amount	Change	Amount	Change	Amount	Change	Amount	Change
Fire & allied lines	112,226	+ 84,282	88,131	+ 69,055	61,903	- 50,323	47,005	- 41,126	44,795	- 17,107	30,623	- 16,381
Marine	7,875	+ 426	3,145	+ 214	7,379	- 495	2,482	- 662	9,774	+ 2,394	4,404	+ 1,921
Personal Accident	35,112	+ 922	14,463	- 767	35,687	+ 574	13,362	- 1,101	36,789	+ 1,102	13,884	+ 522
Voluntary Automobile	194,137	+ 3,593	99,236	- 2,399	199,897	+ 5,759	100,493	+ 1,257	188,464	- 11,432	93,218	- 7,274
CALI	77,567	- 503	35,707	- 205	79,655	+ 2,087	36,436	+ 729	78,158	- 1,496	35,623	- 813
Other	39,243	- 21,643	20,607	+ 556	36,774	- 2,468	21,292	+ 684	38,718	+ 1,943	22,207	+ 915
(of which, liability)	(22,938)	(- 2,532)	(10,006)	(+ 635)	(24,092)	(+ 1,154)	(10,198)	(+ 191)	(25,245)	(+ 1,152)	(10,572)	(+ 374)
All lines	466,162	+ 67,077	261,291	+ 66,454	421,297	- 44,865	221,072	- 40,219	396,701	- 24,595	199,962	- 21,110
All lines excl. CALI	388,595	+ 67,581	225,584	+ 66,659	341,642	- 46,952	184,635	- 40,948	318,542	- 23,099	164,339	- 20,296
All lines excl. financial guarantee, CALI, household earthquake, natural disasters	292,122	- 6,012	150,963	- 3,494	301,735	+ 9,612	151,708	+ 745	299,840	- 1,895	149,610	- 2,097

Loss ratio (incl. adjustment expenses)

	1H FY2011				1H FY2012				1H FY2013			
	Sompo Japan		Nipponkoa		Sompo Japan		Nipponkoa		Sompo Japan		Nipponkoa	
	L/R	Change	L/R	Change	L/R	Change	L/R	Change	L/R	Change	L/R	Change
Fire & allied lines	161.5%	+ 118.2pt	202.8%	+ 154.2pt	85.5%	- 76.0pt	121.8%	- 81.0pt	54.9%	- 30.5pt	72.2%	- 49.5pt
Marine	67.4%	+ 6.1pt	47.6%	+ 3.5pt	60.7%	- 6.7pt	39.5%	- 8.1pt	68.1%	+ 7.5pt	58.7%	+ 19.2pt
Personal Accident	55.3%	- 0.5pt	57.7%	- 3.0pt	55.7%	+ 0.4pt	52.4%	- 5.4pt	57.0%	+ 1.4pt	53.7%	+ 1.4pt
Voluntary Automobile	69.7%	+ 0.3pt	70.2%	- 0.3pt	69.6%	- 0.1pt	69.7%	- 0.5pt	64.1%	- 5.5pt	65.0%	- 4.7pt
CALI	97.4%	- 1.4pt	99.6%	- 1.3pt	90.4%	- 7.0pt	91.4%	- 8.1pt	85.2%	- 5.1pt	85.7%	- 5.7pt
Other	48.6%	- 23.2pt	51.9%	+ 1.0pt	45.7%	- 2.9pt	53.7%	+ 1.7pt	45.3%	- 0.4pt	53.5%	- 0.2pt
(of which, liability)	(42.3%)	(- 3.5pt)	(46.3%)	(+ 1.4pt)	(45.3%)	(+ 3.0pt)	(46.6%)	(+ 0.2pt)	(44.5%)	(- 0.8pt)	(46.9%)	(+ 0.4pt)
All lines	79.0%	+ 9.7pt	88.0%	+ 20.9pt	69.6%	- 9.4pt	74.7%	- 13.3pt	62.9%	- 6.7pt	66.1%	- 8.6pt
All lines excl. CALI	76.2%	+ 11.4pt	86.5%	+ 24.0pt	66.1%	- 10.1pt	72.2%	- 14.3pt	59.2%	- 6.9pt	63.0%	- 9.1pt
All lines excl. financial guarantee, CALI, household earthquake, natural disasters	59.1%	- 1.7pt	60.1%	- 1.0pt	59.2%	+ 0.0pt	60.5%	+ 0.3pt	56.1%	- 3.1pt	58.0%	- 2.5pt

E/I Loss ratio (incl. adjustment expenses)

	1H FY2011				1H FY2012				1H FY2013			
	Sompo Japan		Nipponkoa		Sompo Japan		Nipponkoa		Sompo Japan		Nipponkoa	
	L/R	Change	L/R	Change	L/R	Change	L/R	Change	L/R	Change	L/R	Change
Fire & allied lines	80.2%	+ 41.6pt	86.5%	+ 46.3pt	82.9%	+ 2.7pt	91.9%	+ 5.3pt	57.5%	- 25.4pt	59.1%	- 32.7pt
Marine	66.1%	+ 8.6pt	36.1%	+ 8.7pt	59.5%	- 6.5pt	25.9%	- 10.3pt	71.6%	+ 12.1pt	68.9%	+ 43.0pt
Personal Accident	57.4%	- 5.7pt	61.2%	- 0.3pt	65.6%	+ 8.2pt	55.9%	- 5.3pt	62.9%	- 2.7pt	58.8%	+ 2.9pt
Voluntary Automobile	71.0%	+ 0.1pt	71.4%	+ 0.3pt	68.9%	- 2.0pt	68.9%	- 2.5pt	66.6%	- 2.3pt	65.1%	- 3.8pt
Other	52.5%	+ 14.2pt	57.6%	+ 4.6pt	55.2%	+ 2.6pt	58.7%	+ 1.0pt	50.4%	- 4.8pt	61.5%	+ 2.8pt
(of which, liability)	(56.4%)	(- 5.2pt)	(54.8%)	(+ 1.8pt)	(57.3%)	(+ 0.9pt)	(57.8%)	(+ 2.9pt)	(47.9%)	(- 9.3pt)	(58.1%)	(+ 0.3pt)
All lines	68.0%	+ 7.3pt	70.2%	+ 8.9pt	68.4%	+ 0.4pt	68.9%	- 1.3pt	62.8%	△ 5.6pt	63.2%	△ 5.8pt
All lines excl. financial guarantee, natural disasters	62.3%	- 0.5pt	61.1%	+ 1.0pt	61.4%	- 0.9pt	60.7%	- 0.4pt	60.2%	1.3pt	60.2%	0.5pt

* Household earthquake insurance and CALI are excluded

Natural Disasters

Millions of yen

	1H FY2011				1H FY2012				1H FY2013			
	Sompo Japan		Nipponkoa		Sompo Japan		Nipponkoa		Sompo Japan		Nipponkoa	
	Net loss occurred	Net claims paid	Net loss occurred	Net claims paid	Net loss occurred	Net claims paid	Net loss occurred	Net claims paid	Net loss occurred	Net claims paid	Net loss occurred	Net claims paid
Fire & allied lines	23,818	5,832	18,467	5,010	25,185	17,022	16,525	12,279	6,416	2,632	6,185	2,406
Marine	68	---	55	0	7	0	31	2	---	---	---	---
Personal Accident	29	0	83	49	11	4	28	24	6	2	12	3
Voluntary Automobile	3,342	1,877	2,402	1,649	5,101	4,539	2,104	1,924	1,489	806	705	408
Other	487	98	729	258	390	279	837	603	215	94	514	127
Total	27,746	7,809	21,738	6,969	30,696	21,844	19,527	14,834	8,127	3,536	7,417	2,945

*Figures above are losses and claims arising from domestic natural disasters occurred in relevant fiscal year, and do not include those occurred in previous years.

【referenece】Recent major natural disasters

Millions of yen

	FY2012						1H FY2013					
	Sompo Japan		Nipponkoa		Sum of 2 companies		Sompo Japan		Nipponkoa		Sum of 2 companies	
	Net loss occurred	Net claims paid	Net loss occurred	Net claims paid	Net loss occurred	Net claims paid	Net loss occurred	Net claims paid	Net loss occurred	Net claims paid	Net loss occurred	Net claims paid
The Great East Japan Earthquake	2,621	2,415	- 81	36	2,540	2,452	216	2,139	- 9	2	207	2,141
(of which, household earthquake)	---	---	---	---	---	---	---	---	---	---	---	---
(of which, excl. household earthquake)	2,621	2,415	- 81	36	2,540	2,452	216	2,139	- 9	2	207	2,141
Flooding in Thailand	- 2,785	7,276	- 6,352	17,546	- 9,137	24,823	- 679	2,975	- 3,839	5,080	- 4,519	8,055
Severe storm in Apr.2012	11,408	11,247	8,240	8,150	19,648	19,398	79	166	342	108	262	275
Snow damage in FY2012	5,035	2,941	2,060	951	7,096	3,893	6,071	7,376	3,302	3,819	9,374	11,196
Typhoon No.18 in FY2013	---	---	---	---	---	---	3,466	437	3,176	247	6,642	685

Expenses

Net expenses

Millions of yen

	1H FY2011				1H FY2012				1H FY2013			
	Sompo Japan		Nipponkoa		Sompo Japan		Nipponkoa		Sompo Japan		Nipponkoa	
	Amount	Change	Amount	Change	Amount	Change	Amount	Change	Amount	Change	Amount	Change
Net commissions and brokerage fees	110,754	+ 3,187	54,302	+ 1,556	114,064	+ 3,310	55,842	+ 1,539	121,215	+ 7,150	59,593	+ 3,751
Operating, general and administrative expenses	104,515	- 2,559	55,867	- 3,251	106,776	+ 2,260	55,247	- 619	101,542	- 5,233	54,114	- 1,133
Net expense	215,269	+ 628	110,169	- 1,694	220,841	+ 5,571	111,089	+ 919	222,758	+ 1,916	113,707	+ 2,618
Net expense (excl. CALI)	193,396	+ 1,133	100,966	- 1,442	198,978	+ 5,582	102,265	+ 1,299	201,304	+ 2,325	105,020	+ 2,754

*Above figures are only for underwriting expenses.

Net Expense Ratio

	1H FY2011				1H FY2012				1H FY2013			
	Sompo Japan		Nipponkoa		Sompo Japan		Nipponkoa		Sompo Japan		Nipponkoa	
	Ratio	Change	Ratio	Change	Ratio	Change	Ratio	Change	Ratio	Change	Ratio	Change
Net commissions and brokerage fees	17.1%	+ 0.4pt	17.0%	+ 0.3pt	17.0%	- 0.1pt	17.3%	+ 0.3pt	17.2%	+ 0.2pt	17.9%	+ 0.6pt
Operating, general and administrative expenses	16.1%	- 0.5pt	17.5%	- 1.2pt	15.9%	- 0.2pt	17.1%	- 0.3pt	14.4%	- 1.5pt	16.3%	- 0.9pt
Net expense	33.2%	- 0.1pt	34.4%	- 0.9pt	33.0%	- 0.2pt	34.4%	- 0.0pt	31.7%	- 1.3pt	34.2%	- 0.3pt
Net expense (excl. CALI)	34.4%	- 0.0pt	35.9%	- 0.9pt	34.7%	+ 0.3pt	36.6%	+ 0.7pt	33.4%	- 1.3pt	36.5%	- 0.1pt

*Above figures are the ratio of each amount for underwriting expenses against net premiums written.

Company expenses

Millions of yen

	1H FY2011				1H FY2012				1H FY2013			
	Sompo Japan		Nipponkoa		Sompo Japan		Nipponkoa		Sompo Japan		Nipponkoa	
	Amount	Change	Amount	Change	Amount	Change	Amount	Change	Amount	Change	Amount	Change
Personnel expenses	86,658	- 3,223	44,399	+ 29	85,354	- 1,304	44,130	- 268	82,516	- 2,838	42,531	- 1,598
Non-personnel expenses	62,181	+ 396	31,266	- 203	63,218	+ 1,037	30,150	- 1,115	61,382	- 1,836	30,244	+ 93
Tax and contributions	7,539	- 345	3,487	- 456	7,351	- 188	3,367	- 119	7,562	+ 211	3,454	+ 87
Total company expenses	156,378	- 3,171	79,152	- 630	155,924	- 454	77,648	- 1,503	151,461	- 4,462	76,230	- 1,418

Company Expense Ratio

	1H FY2011				1H FY2012				1H FY2013			
	Sompo Japan		Nipponkoa		Sompo Japan		Nipponkoa		Sompo Japan		Nipponkoa	
	Ratio	Change	Ratio	Change	Ratio	Change	Ratio	Change	Ratio	Change	Ratio	Change
Personnel expenses	13.4%	- 0.6pt	13.9%	- 0.1pt	12.7%	- 0.6pt	13.7%	- 0.2pt	11.7%	- 1.0pt	12.8%	- 0.9pt
Non-personnel expenses	9.6%	- 0.0pt	9.8%	- 0.2pt	9.4%	- 0.2pt	9.3%	- 0.4pt	8.7%	- 0.7pt	9.1%	- 0.3pt
Tax and contributions	1.2%	- 0.1pt	1.1%	- 0.2pt	1.1%	- 0.1pt	1.0%	- 0.0pt	1.1%	- 0.0pt	1.0%	- 0.0pt
Total company expenses	24.1%	- 0.7pt	24.7%	- 0.5pt	23.3%	- 0.8pt	24.1%	- 0.7pt	21.5%	- 1.8pt	22.9%	- 1.2pt

*Above figures are the ratio of each amount against net premiums written.

Combined Ratio

	1H FY2011				1H FY2012				1H FY2013			
	Sompo Japan		Nipponkoa		Sompo Japan		Nipponkoa		Sompo Japan		Nipponkoa	
	Ratio	Change	Ratio	Change	Ratio	Change	Ratio	Change	Ratio	Change	Ratio	Change
Loss ratio	76.2%	+ 11.4pt	86.5%	+ 24.0pt	66.1%	- 10.1pt	72.2%	- 14.3pt	59.2%	- 6.9pt	63.0%	- 9.1pt
Expense ratio	34.4%	- 0.0pt	35.9%	- 0.9pt	34.7%	+ 0.3pt	36.6%	+ 0.7pt	33.4%	- 1.3pt	36.5%	- 0.1pt
(Company expense ratio)	(15.9%)	(- 0.5pt)	(17.6%)	(- 1.3pt)	(16.0%)	(+ 0.1pt)	(17.7%)	(+ 0.1pt)	(14.4%)	(- 1.6pt)	(16.8%)	(- 0.9pt)
(Commission ratio)	(18.5%)	(+ 0.5pt)	(18.3%)	(+ 0.4pt)	(18.7%)	(+ 0.2pt)	(18.9%)	(+ 0.6pt)	(19.0%)	(+ 0.3pt)	(19.7%)	(+ 0.8pt)
Combined ratio	110.6%	+ 11.4pt	122.4%	+ 23.1pt	100.8%	- 9.8pt	108.8%	- 13.6pt	92.6%	- 8.2pt	99.5%	- 9.2pt

*Above figures excludes CALI.

Combined ratio (incl. CALI)	112.2%	+ 9.6pt	122.5%	+ 20.0pt	102.6%	- 9.7pt	109.2%	- 13.3pt	94.6%	- 8.0pt	100.3%	- 8.9pt
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(reference) Combined Ratio by lines

	1H FY2011						1H FY2012						1H FY2013					
	Sompo Japan			Nipponkoa			Sompo Japan			Nipponkoa			Sompo Japan			Nipponkoa		
	L/R	E/R	C/R	L/R	E/R	C/R	L/R	E/R	C/R	L/R	E/R	C/R	L/R	E/R	C/R	L/R	E/R	C/R
Fire & allied lines	161.5%	43.4%	204.9%	202.8%	42.1%	244.8%	85.5%	43.5%	129.0%	121.8%	47.9%	169.6%	54.9%	41.6%	96.6%	72.2%	46.5%	118.8%
Marine	67.4%	29.7%	97.0%	47.6%	40.0%	87.6%	60.7%	28.8%	89.5%	39.5%	42.4%	81.9%	68.1%	25.3%	93.4%	58.7%	39.5%	98.1%
Personal Accident	55.3%	40.5%	95.8%	57.7%	45.5%	103.2%	55.7%	40.4%	96.1%	52.4%	45.7%	98.1%	57.0%	40.1%	97.2%	53.7%	46.1%	99.8%
Voluntary Automobile	69.7%	33.1%	102.8%	70.2%	31.4%	101.6%	69.6%	33.5%	103.1%	69.7%	31.1%	100.7%	64.1%	32.0%	96.1%	65.0%	31.3%	96.3%
CALI	97.4%	25.4%	122.7%	99.6%	23.9%	123.4%	90.4%	22.8%	113.2%	91.4%	20.5%	111.9%	85.2%	21.4%	106.6%	85.7%	19.2%	105.0%
Other	48.6%	28.0%	76.5%	51.9%	39.2%	91.1%	45.7%	28.0%	73.6%	53.7%	40.1%	93.8%	45.3%	27.0%	72.3%	53.5%	38.9%	92.3%
(of which, liability)	(42.3%)	(25.8%)	(68.2%)	(46.3%)	(38.9%)	(85.2%)	(45.3%)	(26.0%)	(71.3%)	(46.6%)	(39.5%)	(86.1%)	(44.5%)	(25.1%)	(69.6%)	(46.9%)	(38.9%)	(85.9%)
All lines	79.0%	33.2%	112.2%	88.0%	34.4%	122.5%	69.6%	33.0%	102.6%	74.7%	34.4%	109.2%	62.9%	31.7%	94.6%	66.1%	34.2%	100.3%

Underwriting Funds

Millions of yen

Sampo Japan	FY2012					1H FY2013					Change				
	Underwriting reserves	Catastrophic loss reserve	Contingency reserve	Reserves for maturity	Reserves for policyholders'	Underwriting reserves	Catastrophic loss reserve	Contingency reserve	Reserves for maturity	Reserves for policyholders'	Underwriting reserves	Catastrophic loss reserve	Contingency reserve	Reserves for maturity	Reserves for policyholders'
Fire and allied lines	418,391	131,003	194	174,055	1,740	421,488	144,048	194	171,623	1,716	3,096	13,044	---	-2,431	-24
Marine	9,692	26,977	---	---	---	10,460	27,673	---	---	---	768	696	---	---	---
Personal Accident	85,083	73,360	364	975,089	5,304	92,454	73,511	364	967,342	5,241	7,371	150	---	-7,747	-63
Voluntary Automobile	189,917	39,867	---	---	---	196,919	40,886	---	---	---	7,002	1,018	---	---	---
CALI	280,878	---	---	---	---	276,728	---	---	---	---	-4,149	---	---	---	---
Other	201,053	106,730	52	41,346	225	213,700	110,317	52	41,011	239	12,647	3,586	---	-335	13
Total	1,185,016	377,941	611	1,190,491	7,270	1,211,752	396,437	611	1,179,977	7,196	26,736	18,496	---	-10,514	-73
Total (excl. CALI)	904,138	377,941	611	1,190,491	7,270	935,023	396,437	611	1,179,977	7,196	30,885	18,496	---	-10,514	-73

Nipponkoa	FY2012					1H FY2013					Change				
	Underwriting reserves	Catastrophic loss reserve	Contingency reserve	Reserves for maturity	Reserves for policyholders'	Underwriting reserves	Catastrophic loss reserve	Contingency reserve	Reserves for maturity	Reserves for policyholders'	Underwriting reserves	Catastrophic loss reserve	Contingency reserve	Reserves for maturity	Reserves for policyholders'
Fire and allied lines	303,932	63,198	---	122,034	1,232	302,920	62,251	---	118,250	1,199	-1,011	-946	---	-3,783	-32
Marine	3,793	19,761	---	---	---	4,442	19,982	---	---	---	648	220	---	---	---
Personal Accident	26,757	13,072	8	484,409	3,841	29,516	13,864	9	463,693	3,807	2,758	792	1	-20,715	-33
Voluntary Automobile	88,331	22,141	---	---	---	89,738	22,203	---	---	---	1,406	61	---	---	---
CALI	128,980	---	---	---	---	126,651	---	---	---	---	-2,328	---	---	---	---
Other	77,533	53,997	---	18,716	113	81,573	55,505	---	17,563	105	4,039	1,507	---	-1,153	-7
Total	629,328	172,172	8	625,160	5,186	634,842	173,807	9	599,507	5,113	5,514	1,635	1	-25,653	-73
Total (excl. CALI)	500,348	172,172	8	625,160	5,186	508,190	173,807	9	599,507	5,113	7,842	1,635	1	-25,653	-73

Reserve for Outstanding Losses and Claims

Millions of yen

	Sompo Japan					Nipponkoa				
	FY2012	Additional provision for 1H FY2013	1H FY2013	Additional provision for 1H FY2012	YOY Change	FY2012	Additional provision for 1H FY2013	1H FY2013	Additional provision for 1H FY2012	YOY Change
	a)	b)	c)	d)	e)=b)-d)	a)	b)	c)	d)	e)=b)-d)
Fire and allied lines	72,079	393	72,473	1,112	- 718	36,305	- 5,212	31,092	- 6,902	1,690
Marine	13,934	- 66	13,867	- 338	271	5,024	421	5,446	- 882	1,303
Personal Accident	59,526	- 455	59,071	2,592	- 3,048	15,983	- 174	15,809	- 400	226
Voluntary Automobile	284,770	3,946	288,716	- 4,570	8,517	135,377	- 702	134,675	- 995	293
CALI	59,296	796	60,092	- 1,828	2,624	27,178	355	27,533	- 913	1,268
Other	125,370	- 2,578	122,792	2,149	- 4,727	61,648	619	62,268	145	473
Total	614,979	2,035	617,015	- 883	2,919	281,518	- 4,691	276,826	- 9,948	5,256
Total (excl. CALI)	555,682	1,239	556,922	944	294	254,340	- 5,047	249,292	- 9,035	3,987

Total (of which, IBNR)	162,124	687	162,812	2,019	- 1,332	85,391	- 487	84,904	749	- 1,237
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Catastrophic Loss Reserve

Catastrophic loss reserves as of September 30, 2013

Millions of yen

	Sompo Japan						Nipponkoa					
	Outstanding March 2013	Reversal	Provisions	Net provisions	Outstanding Sep 2013	Ratio	Outstanding March 2013	Reversal	Provisions	Net provisions	Outstanding Sep 2013	Ratio
Fire and allied lines	131,003	---	13,044	13,044	144,048	85.7%	63,198	6,297	5,350	- 946	62,251	70.4%
Marine	26,977	---	696	696	27,673	91.9%	19,761	184	404	220	19,982	129.6%
Personal Accident	73,360	2,068	2,219	150	73,511	51.7%	13,072	91	883	792	13,864	24.7%
Voluntary Automobile	39,867	19,606	20,624	1,018	40,886	6.0%	22,141	11,128	11,189	61	22,203	6.8%
Other	106,730	1,364	4,951	3,586	110,317	59.3%	53,997	968	2,475	1,507	55,505	61.4%
Total	377,941	23,039	41,535	18,496	396,437	32.9%	172,172	18,669	20,304	1,635	173,807	30.2%

* Ratio = Outstanding reserves / Net premiums written (excl. household earthquake and CALI) *2

* Provision ratio of major lines for FY2013

Sompo Japan: 5.5% for automobile group, 10.0% for fire group

Nipponkoa: 6.2% for automobile group, 8.7% for fire group

Changes in reversal and provisions of catastrophic loss reserves

Millions of yen

	Sompo Japan						Nipponkoa					
	Reversal			Provisions			Reversal			Provision		
	1H FY2012	1H FY2013	Change	1H FY2012	1H FY2013	Change	1H FY2012	1H FY2013	Change	1H FY2012	1H FY2013	Change
Fire and allied lines	18,803	---	- 18,803	12,342	13,044	+ 702	24,237	6,297	- 17,939	3,973	5,350	+ 1,377
Marine	---	---	---	487	696	+ 208	138	184	+ 45	57	404	+ 346
Personal Accident	1,390	2,068	+ 677	2,191	2,219	+ 27	3	91	+ 88	876	883	+ 6
Voluntary Automobile	36,097	19,606	- 16,490	19,971	20,624	+ 653	18,819	11,128	- 7,691	11,149	11,189	+ 40
Other	1,274	1,364	+ 90	3,980	4,951	+ 970	1,062	968	- 94	2,082	2,475	+ 393
Total	57,565	23,039	- 34,526	38,973	41,535	+ 2,562	44,261	18,669	- 25,591	18,140	20,304	+ 2,164

Business Forecasts - Overview

Millions of yen

	Sompo Japan				Nipponkoa			
	FY2012(A)	FY2013(E)	Change	Change	FY2012(A)	FY2013(E)	Change	Change
Net premiums written	1,327,361	1,390,542	+ 63,180	+ 4.8%	638,863	657,590	+ 18,726	+ 2.9%
(excl. CALI)	1,138,069	1,185,919	+ 47,849	+ 4.2%	553,650	565,171	+ 11,520	+ 2.1%
Loss ratio	70.6%	66.5%	- 4.1pt		74.8%	68.8%	- 6.0pt	
(excl. CALI)	67.2%	63.4%	- 3.8pt		72.2%	66.3%	- 5.9pt	
Expense ratio	32.8%	31.7%	- 1.0pt		34.8%	34.4%	- 0.5pt	
(excl. CALI)	34.4%	33.6%	- 0.8pt		37.0%	36.9%	- 0.1pt	
Combind ratio	103.4%	98.2%	- 5.1pt		109.7%	103.2%	- 6.5pt	
(excl. CALI)	101.6%	97.0%	- 4.6pt		109.2%	103.2%	- 6.0pt	
Underwriting profit (loss)	- 25,704	19,507	+ 45,211	-	8,786	- 12,917	- 21,703	- 247.0%
Investment profit	102,095	89,022	- 13,073	- 12.8%	57,838	75,000	+ 17,161	+ 29.7%
Ordinary profit (loss)	65,058	91,749	+ 26,690	+ 41.0%	64,580	57,700	- 6,880	- 10.7%
Net income (loss)	29,137	48,626	+ 19,488	+ 66.9%	33,332	32,000	- 1,332	- 4.0%
【reference】Adjusted profit								
Net income (loss)	29,137	48,626	+ 19,488	+ 66.9%	33,332	32,000	- 1,332	- 4.0%
+provision for catastrophe loss reserve (net of tax)	- 3,544	9,552	+ 13,096	-	- 20,562	- 3,302	+ 17,259	-
+provision for price fluctuation reserve (net of tax)	3,308	3,674	+ 365	+ 11.1%	1,710	1,670	- 40	- 2.4%
-realized gains/losses and devaluation losses on securities (net of tax)	44,844	33,050	- 11,794	- 26.3%	22,346	35,233	+ 12,886	+ 57.7%
-Extraordinary items (net of tax)	- 13,011	- 5,903	+ 7,108	-	- 8,684	- 5,083	+ 3,600	-
Adjusted profit	- 2,931	34,705	+ 37,637	-	818	217	- 600	- 73.4%

*special factor is "Merger one-time cost"

Business Forecasts - Assumptions

	Sompo Japan	Nipponkoa
Losses from domestic natural disasters (occurring in the fiscal year)	¥25.0 billion	¥21.5billion
Flooding in Thailand	Net claims paid : ¥9.1billion *excluding the amount to be paid by overseas subsidiaries (Assuming that remaining amount ¥4.9 billion is paid in FY2014)	Net claims paid : ¥9.3billion
Catastrophic loss reserve	Net provision : ¥14.3billion	Net reversal : ¥4.9 billion
Market indicators	(Stock) Nikkei 225 : ¥14,455 (Interest yield) 10 y JGB : 0.69% (Foreign exchange) 1US\$: ¥97.75, 1Euro : ¥131.87	
Interest and dividend income	Gross ¥70.0 billion Net : ¥39.7 billion	Gross ¥37.8 billion Net : ¥21.8 billion
Realized gains on securities	Realized gain on securities : ¥64.5 billion Impairment losses on securities : ¥13.0 billion	Realized gain on securities : ¥55.2billion Impairment losses on securities : ¥1.0 billion
Reserve for price fluctuation	Net provision ¥5.5billion	Net provision ¥2.5billion
Financial guarantee insurance	¥1.2 billion of losses	

Business Forecasts - Premiums

Millions of yen

Millions of yen

	Sompo Japan				Nipponkoa				Sompo Japan	Nipponkoa
	FY2012(A)	FY2013(E)	Change	%Change	FY2012(A)	FY2013(E)	Change	%Change	FY2013 (Previous forecasts)	
Fire and allied lines	164,706	172,955	+ 8,248	+ 5.0%	87,709	92,662	+ 4,952	+ 5.6%	174,685	88,600
Marine	26,263	29,192	+ 2,928	+ 11.2%	13,542	14,193	+ 650	+ 4.8%	26,572	14,900
Personal Accidnet	132,088	133,910	+ 1,821	+ 1.4%	50,469	50,576	+ 106	+ 0.2%	133,905	50,000
Voluntary Automobile	658,926	687,218	+ 28,292	+ 4.3%	322,068	324,806	+ 2,737	+ 0.9%	687,220	324,800
CALI	189,291	204,623	+ 15,331	+ 8.1%	85,212	92,419	+ 7,206	+ 8.5%	201,127	91,300
Other	156,084	162,642	+ 6,558	+ 4.2%	79,861	82,934	+ 3,072	+ 3.8%	161,531	80,400
(of which, liability)	(98,185)	(103,301)	(+ 5,116)	(+ 5.2%)	(41,585)	(43,271)	(+ 1,685)	(+ 4.1%)	(103,563)	(42,690)
Total	1,327,361	1,390,542	+ 63,180	+ 4.8%	638,863	657,590	+ 18,726	+ 2.9%	1,385,040	650,000
All lines excl. CALI	1,138,069	1,185,919	+ 47,849	+ 4.2%	553,650	565,171	+ 11,520	+ 2.1%	1,183,913	558,700

Business Forecasts – W/P Loss Ratio

Net claims paid

Millions of yen

Millions of yen

	Sompo Japan			Nipponkoa			Sompo Japan	Nipponkoa
	FY2012(A)	FY2013(E)	Change	FY2012(A)	FY2013(E)	Change	FY2013 (Previous forecasts)	
Fire and allied lines	111,666	96,720	- 14,945	85,899	63,376	- 22,523	97,102	54,963
Marine	15,786	18,727	+ 2,941	5,684	6,292	+ 607	14,956	6,752
Personal Accidnet	72,507	72,672	+ 164	26,896	26,744	- 152	72,660	26,564
Voluntary Automobile	404,824	399,868	- 4,956	202,250	194,947	- 7,303	411,365	197,269
CALI	158,055	157,900	- 155	72,202	71,129	- 1,073	156,309	71,568
Other	80,922	86,415	+ 5,493	43,713	48,629	+ 4,915	91,362	50,342
(of which, liability)	(52,017)	(56,158)	(+ 4,140)	(21,452)	(23,631)	(+ 2,178)	(55,603)	(23,793)
Total	843,762	832,304	- 11,458	436,647	411,117	- 25,530	843,754	407,458
All lines excl. CALI	685,707	674,404	- 11,303	364,445	339,988	- 24,457	687,445	335,890

Loss ratio

	Sompo Japan			Nipponkoa			Sompo Japan	Nipponkoa
	FY2012(A)	FY2013(E)	Change	FY2012(A)	FY2013(E)	Change	FY2013 (Previous forecasts)	
Fire and allied lines	69.9%	57.7%	- 12.2pt	101.7%	71.9%	- 29.8pt	57.6%	65.7%
Marine	63.9%	67.5%	+ 3.6pt	43.4%	45.7%	+ 2.3pt	60.0%	46.6%
Personal Accidnet	61.0%	59.9%	- 1.1pt	58.1%	57.6%	- 0.5pt	60.2%	57.9%
Voluntary Automobile	70.5%	66.8%	- 3.7pt	70.9%	68.0%	- 2.9pt	68.3%	68.6%
CALI	91.1%	84.3%	- 6.7pt	91.8%	83.7%	- 8.1pt	84.6%	85.1%
Other	56.2%	57.3%	+ 1.1pt	59.0%	62.7%	+ 3.7pt	60.7%	66.8%
(of which, liability)	(57.6%)	(58.9%)	(+ 1.2pt)	(55.1%)	(57.9%)	(+ 2.9pt)	(58.0%)	(59.1%)
Total	70.6%	66.5%	- 4.1pt	74.8%	68.8%	- 6.0pt	67.5%	69.0%
All lines excl. CALI	67.2%	63.4%	- 3.8pt	72.2%	66.3%	- 5.9pt	64.6%	66.3%

Business Forecasts – E/I Loss Ratio

Net loss occurred

Millions of yen

Millions of yen

	Sampo Japan			Nipponkoa			Sampo Japan	Nipponkoa
	FY2012(A)	FY2013(E)	Change	FY2012(A)	FY2013(E)	Change	FY2013 (Previous forecasts)	
Fire and allied lines	110,567	94,514	- 16,053	65,579	54,676	- 10,903	92,771	44,513
Marine	16,581	17,855	+ 1,273	5,061	6,892	+ 1,830	14,598	6,752
Personal Accidnet	71,860	72,325	+ 464	26,758	26,544	- 214	72,316	26,064
Voluntary Automobile	398,928	396,628	- 2,300	201,232	192,947	- 8,285	413,056	196,269
Other	83,712	85,908	+ 2,196	45,917	51,929	+ 6,011	90,898	46,920
(of which, liability)	(55,950)	(55,150)	(- 799)	(22,859)	(25,931)	(+ 3,071)	(56,502)	(24,293)
All lines*	681,652	664,120	- 17,531	344,549	332,988	- 11,561	683,639	320,518

* Excl. household earthquake and CALI

E/I Loss ratio

	Sampo Japan			Nipponkoa			Sampo Japan	Nipponkoa
	FY2012(A)	FY2013(E)	Change	FY2012(A)	FY2013(E)	Change	FY2013 (Previous forecasts)	
Fire and allied lines	71.4%	54.7%	- 16.7pt	74.2%	64.7%	- 9.4pt	53.7%	54.4%
Marine	69.3%	66.2%	- 3.1pt	39.3%	49.2%	+ 9.9pt	58.5%	47.9%
Personal Accidnet	62.2%	60.8%	- 1.4pt	58.1%	57.8%	- 0.3pt	61.1%	57.1%
Voluntary Automobile	70.1%	67.1%	- 3.0pt	69.9%	67.6%	- 2.3pt	69.4%	68.5%
Other	58.9%	60.1%	+ 1.2pt	62.2%	67.8%	+ 5.7pt	62.6%	62.8%
(of which, liability)	(62.3%)	(61.5%)	(- 0.8pt)	(58.4%)	(64.1%)	(+ 5.6pt)	(62.6%)	(60.6%)
All lines*	67.8%	63.3%	- 4.5pt	67.7%	65.8%	- 1.9pt	64.9%	63.9%

* Excl. household earthquake and CALI

Business Forecasts – Expenses

Net Expense amount

Millions of yen

Millions of yen

	Sompo Japan			Nipponkoa			Sompo Japan	Nipponkoa
	FY2012(A)	FY2013(E)	Change	FY2012(A)	FY2013(E)	Change	FY2013 (Previous forecasts)	
Net commissions and brokerage fees	228,951	240,901	+ 11,949	111,787	116,263	+ 4,475	238,031	113,674
Operating, general and administrative expenses related to underwriting	205,872	200,454	- 5,417	110,831	109,826	- 1,005	205,073	110,691
Total	434,824	441,355	+ 6,531	222,618	226,089	+ 3,470	443,104	224,365

*Above figures are only for underwriting expenses.

Net Expense Ratio

	Sompo Japan			Nipponkoa			Sompo Japan	Nipponkoa
	FY2012(A)	FY2013(E)	Change	FY2012(A)	FY2013(E)	Change	FY2013 (Previous forecasts)	
Net commissions and brokerage fees	17.2%	17.3%	+ 0.1pt	17.5%	17.7%	+ 0.2pt	17.2%	17.5%
Operating, general and administrative expenses related to underwriting	15.5%	14.4%	- 1.1pt	17.3%	16.7%	- 0.6pt	14.8%	17.0%
Total	32.8%	31.7%	- 1.0pt	34.8%	34.4%	- 0.5pt	32.0%	34.5%

*"Expense ratio" is the ratio of the each amount for underwriting expenses against net premium written.

Business Forecasts – Company expenses

Company Expense amount

Millions of yen

Millions of yen

	Sompo Japan			Nipponkoa			Sompo Japan	Nipponkoa
	FY2012(A)	FY2013(E)	Change	FY2012(A)	FY2013(E)	Change	FY2013 (Previous forecasts)	
Personnel expenses	169,064	163,211	- 5,853	88,865	85,531	- 3,334	165,006	87,100
Non-personnel expenses	127,071	125,033	- 2,037	60,764	62,771	+ 2,006	127,054	61,869
Tax and contributions	12,078	12,406	+ 328	6,688	6,800	+ 111	12,422	6,710
Total	308,214	300,652	- 7,562	156,318	155,102	- 1,216	304,484	155,679

Company Expense Ratio

	Sompo Japan			Nipponkoa			Sompo Japan	Nipponkoa
	FY2012(A)	FY2013(E)	Change	FY2012(A)	FY2013(E)	Change	FY2013 (Previous forecasts)	
Personnel expenses	12.7%	11.7%	- 1.0pt	13.9%	13.0%	- 0.9pt	11.9%	13.4%
Non-personnel expenses	9.6%	9.0%	- 0.6pt	9.5%	9.5%	+ 0.0pt	9.2%	9.5%
Tax and contributions	0.9%	0.9%	- 0.0pt	1.0%	1.0%	- 0.0pt	0.9%	1.0%
Total	23.2%	21.6%	- 1.6pt	24.5%	23.6%	- 0.9pt	22.0%	24.0%

Solvency Margin Ratio (P&C Insurers)

Millions of yen

	Sompo Japan			Nipponkoa		
	End of FY2011	End of FY2012	End of 1H FY2013	End of FY2011	End of FY2012	End of 1H FY2013
(A) Total Solvency Margin (non-consolidated)	1,213,539	1,493,106	1,631,799	598,090	710,509	755,493
Capital, etc	260,654	263,299	267,672	170,903	192,996	208,574
Reserve for price fluctuation	14,436	19,388	22,038	11,289	13,849	15,154
Contingency reserve	611	611	611	10	8	9
Catastrophic loss reserve	389,766	385,026	403,828	208,934	178,714	180,593
General allowance for possible loan losses	286	215	192	51	50	40
Unrealized gains on securities (before tax effect deductions)	414,934	571,425	666,200	194,583	303,023	320,823
Net unrealized gains and losses on real estate	24,062	22,103	21,448	12,637	13,706	15,376
Excess amount of reserve for maturity refunds	—	—	—	—	—	—
Subordinated debt, etc.	128,000	261,560	261,560	—	—	—
Excess amount of reserve for maturity refunds and subordinated debt, etc. which are excluded from total solvency margin	—	—	—	—	—	—
Deductions	79,975	92,366	75,456	11,769	11,769	11,769
Others	60,763	61,841	63,704	11,450	19,928	26,692
(B) Total Risks (non-consolidated) [$\sqrt{\{(R1+R2)^2+(R3+R4)^2\}}+R5+R6$]	482,931	462,503	459,025	254,066	266,095	231,424
R1 Underwriting risk	108,974	110,429	110,731	56,018	57,467	57,503
R2 Underwriting risk for third-sector insurance products	—	—	—	1	0	0
R3 Guaranteed interest rate risk	17,763	16,828	16,641	9,872	9,261	9,146
R4 Investment risk	279,213	279,657	299,663	126,578	148,113	143,726
R5 Business management risk	11,226	10,843	10,802	5,863	6,145	5,460
R6 Major catastrophe risk	155,365	135,276	113,096	100,700	92,411	62,633
(C) Solvency Margin Ratio (non-consolidated) (A)/{1/2×(B)}×100	502.5%	645.6%	710.9%	470.8%	534.0%	652.9%

Investment Asset Portfolio

Mark to market basis, millions of yen

【as of September 30, 2013】	Sompo Japan						Nipponkoa					
	Saving-type account		General account		Total		Saving-type account		General account		Total	
		Proportion		Proportion		Proportion		Proportion		Proportion		Proportion
Securities	737,575	71.6%	2,681,616	81.8%	3,419,192	79.4%	382,422	71.7%	1,244,193	79.1%	1,626,616	77.2%
Domestic stocks	---	---	1,100,276	33.6%	1,100,276	25.5%	---	---	622,293	39.6%	622,293	29.5%
Yen denominated securities	723,442	70.2%	748,789	22.9%	1,472,231	34.2%	376,208	70.5%	266,736	17.0%	642,944	30.5%
(Bonds)	(723,442)	(70.2%)	(662,534)	(20.2%)	(1,385,977)	(32.2%)	(375,705)	(70.4%)	(206,879)	(13.2%)	(582,585)	(27.7%)
(Others)	---	---	(86,254)	(2.6%)	(86,254)	(2.0%)	(502)	(0.1%)	(59,857)	(3.8%)	(60,359)	(2.9%)
Foreign securities (foreign currency denominated)	14,133	1.4%	832,550	25.4%	846,684	19.7%	6,214	1.2%	355,162	22.6%	361,377	17.2%
(Bonds)	(1,974)	(0.2%)	(340,440)	(10.4%)	(342,414)	(8.0%)	(6,214)	(1.2%)	(291,077)	(18.5%)	(297,291)	(14.1%)
(Others)	(12,158)	(1.2%)	(492,110)	(15.0%)	(504,269)	(11.7%)	---	---	(64,085)	(4.1%)	(64,085)	(3.0%)
Monetary receivables bought	16,081	1.6%	1,717	0.1%	17,799	0.4%	394	0.1%	---	---	394	0.0%
Money trusts	---	---	60,198	1.8%	60,198	1.4%	---	---	29,511	1.9%	29,511	1.4%
Loans	234,701	22.8%	176,586	5.4%	411,288	9.5%	103,962	19.5%	70,113	4.5%	174,075	8.3%
Deposits	8,253	0.8%	143,126	4.4%	151,379	3.5%	46,664	8.7%	107,598	6.8%	154,263	7.3%
Call Loans	26,100	2.5%	33,900	1.0%	60,000	1.4%	---	---	9,000	0.6%	9,000	0.4%
Receivables under resale agreements	7,499	0.7%	---	---	7,499	0.2%	---	---	---	---	---	---
Land and buildings	---	---	179,573	5.5%	179,573	4.2%	---	---	112,552	7.2%	112,552	5.3%
Total investment assets	1,030,211	100.0%	3,276,720	100.0%	4,306,931	100.0%	533,444	100.0%	1,572,969	100.0%	2,106,414	100.0%
Change from previous FY end	- 34,269		137,840		103,571		- 34,998		21,597		- 13,400	

Investment Profit

Millions of yen

	1H FY2011		1H FY2012		1H FY2013				FY2013(E)			
	Sompo Japan	Nipponkoa	Sompo Japan	Nipponkoa	Sompo Japan	Nipponkoa		Sompo Japan	Nipponkoa			
						Change	Change		Change	Change		
Net interest and dividend	22,117	12,347	18,983	10,998	21,524	+ 2,540	12,773	+ 1,774	39,722	- 5,710	21,800	- 141
(interest and dividend income)	(41,261)	(21,985)	(36,407)	(19,825)	(37,770)	(+ 1,363)	(21,060)	(+ 1,234)	(70,000)	(- 9,498)	(37,800)	(- 1,383)
(Investment income on deposit premium)	(- 19,143)	(- 9,637)	(- 17,424)	(- 8,827)	(- 16,246)	(+ 1,177)	(- 8,287)	(+ 540)	(- 30,278)	(+ 3,787)	(- 16,000)	(+ 1,241)
Gain on money trusts	0	- 561	29	- 94	1,326	+ 1,297	- 131	- 37	1,500	+ 1,022	---	- 924
Gain on trading securities	28	---	17	---	---	- 17	---	---	---	- 128	---	---
Realized gain on securities sales	14,763	6,078	9,715	8,013	18,796	+ 9,080	17,017	+ 9,003	64,500	- 27,983	55,200	+ 21,848
(Realized gain on domestic stocks sales)	(12,445)	(7,476)	(2,492)	(1,860)	(15,776)	(+ 13,283)	(7,504)	(+ 5,644)	(58,500)	(- 23,611)	(48,000)	(+ 21,761)
Realized gain on securities	- 107	- 735	- 59	- 119	129	+ 189	823	+ 943	---	+ 221	2,000	+ 2,388
Impairment losses on securities	- 27,317	- 1,035	- 54,904	- 5,801	- 10,897	+ 44,007	- 328	+ 5,473	- 13,000	+ 12,351	- 1,000	+ 495
(Impairment loss on domestic stocks)	(- 26,532)	(- 767)	(- 54,818)	(- 5,418)	(- 10,104)	(+ 44,713)	(- 100)	(+ 5,317)	(- 12,000)	(+ 13,306)	(- 1,000)	(+ 139)
Gain on derivative products	3,290	47	2,201	5,517	- 3,259	- 5,461	- 1,021	- 6,538	- 3,500	+ 6,955	- 1,000	- 3,450
FX gains/losses	- 5,455	- 1,563	- 3,413	- 793	2,203	+ 5,617	121	+ 914	3,300	+ 1,392	---	- 1,745
Other investment income	- 364	- 1,472	- 903	- 159	- 1,227	- 323	- 1,173	- 1,014	- 3,500	- 1,194	- 2,000	- 1,309
Total investment profit	6,955	13,104	- 28,332	17,560	28,596	+ 56,929	28,080	+ 10,519	89,022	- 13,073	75,000	+ 17,161

Investment Yield (Sompo Japan)

Breakdown of interest and dividend income

Millions of yen

	1H FY2011		1H FY2012		1H FY2013	
	Income	Income yield	Income	Income yield	Income	Income yield
Cash and deposits	1	0.01%	1	0.00%	1	0.00%
Call loans	23	0.07%	19	0.08%	27	0.07%
Receivables under resale agreements	28	0.11%	47	0.10%	48	0.10%
Monetary receivables bought	296	2.06%	268	2.11%	206	2.18%
Securities	34,717	2.41%	30,326	2.30%	32,137	2.44%
Domestic bonds	10,037	1.58%	9,816	1.58%	9,342	1.53%
Domestic stocks	11,691	3.36%	11,252	4.12%	10,930	4.61%
Foreign securities	12,237	2.78%	9,175	2.23%	11,344	2.51%
Other securities	750	4.42%	82	0.54%	520	3.32%
Loans	3,390	1.54%	3,006	1.43%	2,709	1.32%
Land and buildings	2,278	2.45%	2,478	2.72%	2,331	2.57%
Total investment assets	40,736	2.19%	36,148	2.09%	37,462	2.14%
Other	524	—	259	—	308	—
Total	41,261	—	36,407	—	37,770	—

Investment yield

Millions of yen

	1H FY2011				1H FY2012				1H FY2013			
	Profit (realized basis)	Realized yield	Profit (Mark to market)	MTM yield	Profit (realized basis)	Realized yield	Profit (Mark to market)	MTM yield	Profit (realized basis)	Realized yield	Profit (Mark to market)	MTM yield
Cash and deposits	-360	-0.67%	-360	-0.67%	-296	-0.52%	-296	-0.52%	-36	-0.04%	-36	-0.04%
Call loans	23	0.03%	23	0.03%	19	0.04%	19	0.04%	27	0.03%	27	0.03%
Receivables under resale agreements	28	0.05%	28	0.05%	47	0.05%	47	0.05%	48	0.05%	48	0.05%
Monetary receivables bought	296	1.03%	677	2.33%	268	1.06%	592	2.26%	206	1.09%	11	0.06%
Money trusts	0	0.10%	0	0.10%	29	1.52%	17	0.89%	1,326	2.36%	833	1.46%
Securities	18,238	0.63%	-113,002	-3.38%	-17,469	-0.66%	-137,336	-4.44%	39,875	1.51%	149,900	4.60%
Loans	3,399	0.77%	3,399	0.77%	3,048	0.73%	3,048	0.73%	2,718	0.66%	2,718	0.66%
Land and buildings	2,278	1.23%	2,278	1.23%	2,478	1.36%	2,478	1.36%	2,331	1.28%	2,331	1.28%
Derivatives	3,290	—	3,290	—	2,201	—	2,201	—	-3,259	—	-3,259	—
Other	-1,095	—	-1,095	—	-1,237	—	-1,237	—	1,604	—	1,604	—
Total	26,099	0.70%	-104,759	-2.51%	-10,908	-0.31%	-130,463	-3.33%	44,842	1.25%	154,180	3.66%

Investment Yield (Nipponkoa)

Breakdown of interest and dividend income

Millions of yen

	1H FY2011		1H FY2012		1H FY2013	
	Income	Income yield	Income	Income yield	Income	Income yield
Cash and deposits	120	0.18%	118	0.22%	114	0.18%
Call loans	0	0.07%	0	0.07%	3	0.07%
Receivables under resale agreements	---	-	---	---	1	0.10%
Monetary receivables bought	12	1.21%	10	1.24%	1	0.31%
Securities	18,717	2.55%	17,014	2.47%	18,706	2.90%
Domestic bonds	5,454	1.54%	5,022	1.47%	4,203	1.43%
Domestic stocks	7,170	3.66%	7,318	4.24%	7,141	4.53%
Foreign securities	4,783	2.72%	4,259	2.55%	6,356	3.43%
Other securities	1,309	17.07%	413	5.51%	1,004	13.91%
Loans	1,937	1.95%	1,817	1.85%	1,493	1.65%
Land and buildings	821	1.35%	766	1.27%	643	1.11%
Total investment assets	21,608	2.20%	19,727	2.15%	20,965	2.41%
Other	376	—	98	—	95	—
Total	21,985	—	19,825	—	21,060	—

Investment yield

Millions of yen

	1H FY2011				1H FY2012				1H FY2013			
	Profit (realized basis)	Realized yield	Profit (Mark to market)	MTM yield	Profit (realized basis)	Realized yield	Profit (Mark to market)	MTM yield	Profit (realized basis)	Realized yield	Profit (Mark to market)	MTM yield
Cash and deposits	- 1,182	- 0.90%	- 1,182	- 0.90%	- 369	- 0.34%	- 369	- 0.34%	103	0.08%	103	0.08%
Call loans	0	0.04%	0	0.04%	0	0.04%	0	0.04%	3	0.03%	3	0.03%
Receivables under resale	---	-	---	-	---	-	---	-	1	0.05%	1	0.05%
Monetary receivables	- 22	- 1.05%	27	1.36%	86	5.20%	195	12.10%	1	0.15%	8	0.99%
Money trusts	- 561	- 1.24%	- 561	- 1.21%	- 94	- 0.30%	- 94	- 0.29%	- 131	- 0.40%	- 131	- 0.37%
Securities	21,374	1.46%	- 19,740	- 1.18%	18,610	1.36%	- 40,111	- 2.52%	34,886	2.71%	54,647	3.36%
Loans	1,938	0.98%	1,938	0.98%	1,819	0.93%	1,819	0.93%	1,495	0.83%	1,495	0.83%
Land and buildings	821	0.68%	821	0.68%	766	0.64%	766	0.64%	643	0.56%	643	0.56%
Derivatives	2	-	3,069	-	5,472	-	7,783	-	- 733	-	- 2,280	-
Other	370	-	370	-	96	-	96	-	96	-	96	-
Total	22,742	1.16%	- 15,257	- 0.70%	26,388	1.47%	- 29,914	- 1.43%	36,367	2.07%	54,588	2.60%

Financial Guarantee Insurance

(as of September 30, 2013, Billions of yen, US/JPY=97.75)

Categories		Insured Amount					Gains/Losses for FY2013 *7
		Direct Insurance *5	Treaty Reinsurance *6	Total	Outstanding Loss Reserve	Insured Amount Net of Loss Reserves	
CDOs	ABS-CDOs (backed by pools of asset backed securities) *1	-	-	-	-	-	-
	Corporate CDOs (backed by pools of single corporate credit)*2	29.3	0.0	29.3	-	29.3	-
	CDOs Total	29.3	0.0	29.3	-	29.3	-
ABS	Global RMBS *3	-	6.2	6.2	0.5	5.7	-0.0
	Global ABS *4	1.1	6.8	8.0	0	8.0	-0.0
	ABS Total	1.1	13.1	14.3	0.5	13.8	-0.0
Public Finance		-	105.9	105.9	0	105.9	0.0
Total		30.5	119.1	149.6	0.5	149.1	-0.0

*1 ABS CDOs (backed by pools of asset backed securities): The securities backed by securitized assets such as the RMBS, CDOs and CLOs.

*2 Corporate CDOs (backed by pools of single corporate credits): The securities backed by assets such as corporate bonds, loans and CDS.

*3 RMBS: Assets backed Securities where underlying assets are residential mortgages.

*4 Global ABS are mainly related to corporate credit (e.g., leasing receivables).

*5 "Direct Insurance" includes 1.1 billion yen of direct Insurance to cover U.S. monoline guaranteed notes.

*6 "Treaty Reinsurance" is a portfolio-based reinsurance where certain parts of policies underwritten by a primary insurer are ceded automatically to the reinsurer, Sompo Japan, in accordance with the conditions agreed by the primary insurer and the reinsurer.

*7 Total amount of 0.03 billion yen loss is comprised of 0.13 billion yen of mainly loss payments, +0.1 billion yen of change of loss reserve. Financial Guarantee insurance is not supposed to book mark-to-market unrealized gains/losses through income statement as it is an insurance policy.

Sales Performance by Distribution Channel

Upper row: Amount in millions of yen

Lower row: %Change

Sompo Japan		Fire	Personal Accident	Voluntary Automobile	CALI	Miscellaneous	Marine	Total	Proportion
as of September 30, 2013	Agents (Sales force)								
Financial institutions	1,124	15,041 + 11.2%	3,556 - 0.7%	9,779 - 7.4%	1,833 + 15.3%	8,146 + 7.3%	1,120 + 11.6%	39,477 + 4.3%	5.3%
Corporate	3,744	24,042 + 7.5%	16,487 + 35.6%	43,332 + 3.6%	5,114 + 9.6%	40,501 + 30.4%	10,277 + 5.3%	139,757 + 14.7%	18.6%
Car dealers	1,913	1,003 + 13.1%	192 - 4.7%	82,060 + 5.6%	51,546 + 16.3%	765 + 5.2%	223 - 4.9%	135,792 + 9.5%	18.1%
Car repair shops and other automobile related	29,486	2,267 - 0.4%	601 + 16.9%	56,265 + 5.0%	48,129 + 14.1%	1,402 + 2.5%	180 + 2.3%	108,847 + 8.7%	14.5%
Professionals	9,850	37,401 + 4.7%	12,759 + 4.8%	130,220 + 5.3%	5,668 + 11.1%	16,301 + 6.5%	1,817 - 0.1%	204,168 + 5.4%	27.2%
Other	4,179	15,765 - 2.9%	29,844 - 8.6%	22,072 + 3.8%	- 417 - 5.9%	43,681 + 7.8%	11,528 + 12.6%	122,473 + 1.7%	16.3%
Total	50,296	95,520 + 5.0%	63,443 + 3.5%	343,730 + 4.6%	111,874 + 14.9%	110,798 + 14.8%	25,149 + 8.2%	750,517 + 7.5%	100.0%

Upper row: Amount in millions of yen

Lower row: %Change

Nipponkoa		Fire	Personal Accident	Voluntary Automobile	CALI	Miscellaneous	Marine	Total	Proportion
as of September 30, 2013	Agents (Sales force)								
Financial institutions	645	12,110 + 9.9%	2,612 - 4.4%	5,472 - 0.5%	264 + 17.3%	2,726 + 4.9%	540 + 3.8%	23,726 + 5.0%	6.8%
Corporate	2,148	17,162 + 0.5%	10,853 + 0.8%	28,988 - 1.3%	4,806 + 7.0%	22,567 + 8.9%	9,048 + 3.5%	93,427 + 2.5%	26.8%
Car dealers	1,442	347 + 16.3%	161 - 0.5%	18,860 + 5.0%	14,734 + 15.9%	247 + 4.1%	55 - 8.5%	34,407 + 9.4%	9.9%
Car repair shops and other automobile related	14,303	1,162 + 3.0%	395 - 3.7%	26,857 + 4.0%	24,022 + 14.7%	701 + 6.4%	94 - 3.2%	53,233 + 8.5%	15.3%
Professionals	4,301	17,021 + 2.9%	5,562 - 1.3%	70,346 + 2.7%	3,978 + 10.4%	10,502 + 6.5%	822 + 0.8%	108,233 + 3.2%	31.0%
Other	3,947	7,344 + 1.2%	4,623 - 2.7%	14,160 - 8.0%	1,627 + 4.9%	5,786 - 2.0%	2,431 + 1.4%	35,974 - 3.4%	10.3%
Total	26,786	55,148 + 3.4%	24,208 - 1.0%	164,685 + 1.3%	49,434 + 13.6%	42,533 + 6.4%	12,993 + 2.9%	349,003 + 3.7%	100.0%

Saison Automobile and Fire, Sonpo 24

Profit and Loss

Millions of yen

	Saison Automobile & Fire				Sonpo 24			
	1H FY2011	1H FY2012	1H FY2013		1H FY2011	1H FY2012	1H FY2013	
				change				change
(+) Net premiums written	(7,195)	(8,494)	(9,734)	(+ 1,240)	(5,650)	(6,288)	(6,676)	(+ 388)
(-) Net claims paid	(4,007)	(4,201)	(5,244)	(+ 1,043)	(3,416)	(3,805)	(3,726)	(- 79)
(-) Loss adj. exp. / underwriting exp.	(4,872)	(5,095)	(6,897)	(+ 1,801)	(2,234)	(2,369)	(2,403)	(+ 34)
(+) Underwriting balance :a1	- 1,685	- 802	- 2,406	- 1,604	- 0	113	546	+ 433
(-) Provision for reserves for outstandin :a2	26	131	242	+ 110	647	38	397	+ 359
(-) Provision for underwriting reserves :a3	643	1,591	917	- 673	- 42	- 5	- 39	- 33
(+) Other balances :a4	- 15	- 41	- 182	- 140	4	3	3	+ 0
(+) Underwriting profit :A	- 2,369	- 2,567	- 3,749	- 1,182	- 600	84	192	+ 107
(+) Investment profit :B	2	- 42	152	+ 194	90	52	9	- 42
(+) Other ordinary income/loss :C	- 94	- 118	- 74	+ 44	- 1	- 2	- 1	+ 0
Ordinary profit (A+B+C) :D	- 2,462	- 2,728	- 3,671	- 943	- 512	134	200	+ 65
(+) Extraordinary gains/losses :E	4	- 0	- 6	- 5	- 1	- 2	- 1	+ 0
(-) Income taxes (incl. deferred tax) :F	10	9	3	- 6	1	1	1	---
Net income (D+E-F)	- 2,468	- 2,738	- 3,681	- 942	- 515	130	196	+ 66

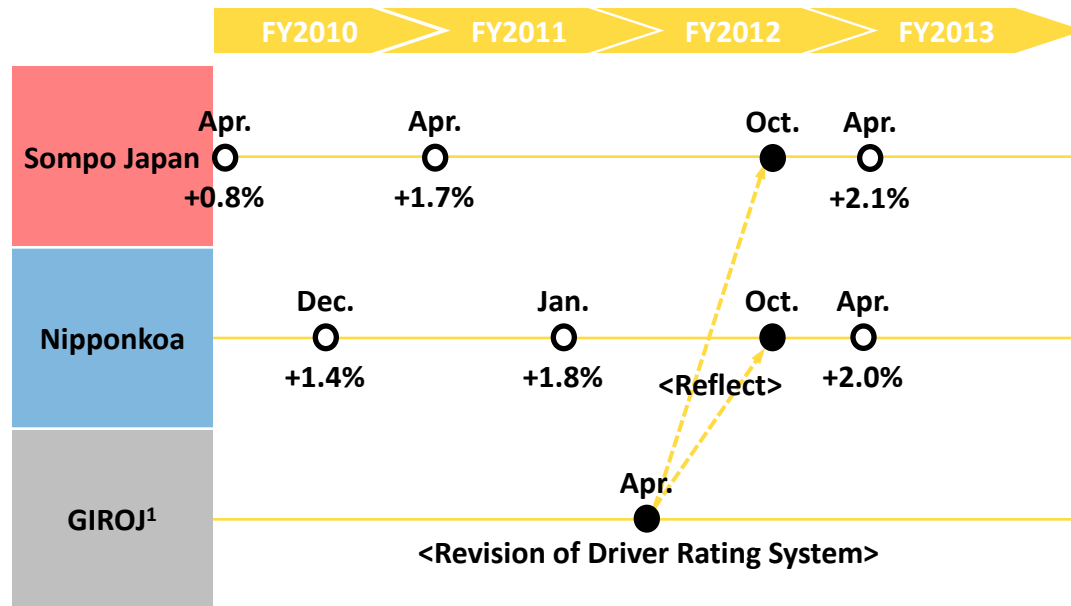
Principal Indicators

	Saison Automobile & Fire				Sonpo 24			
	1H FY2011	1H FY2012	1H FY2013		1H FY2011	1H FY2012	1H FY2013	
				change				change
Number of policies	97,080	128,150	149,313	+ 21,163	135,363	146,377	151,080	+ 4,703
Net loss ratio	63.1%	56.2%	61.0%	+ 4.8pt	68.2%	67.8%	62.8%	- 5.0pt
Net expense ratio	60.3%	53.3%	63.7%	+ 10.4pt	31.8%	30.4%	29.0%	- 1.4pt

Automobile Insurance - Measures to Improve Profitability

Profitability of our automobile insurance business is expected to improve as a result of revisions of premium rates and the Driver Rating System.

- Historical Premium Rates Revisions & Driver Rating System Revision



- Measures to Improve Profitability

- SJ and NK have raised premiums for automobile insurance 3 times since FY 2010.
 - The effects will continue to materialize gradually.
- The Driver Rating System was revised in April 2012 and the revision has been reflected in our automobile insurance policies written after October 2012
 - Expected to improve profitability in the mid-and-long term

1. General Insurance Rating Organization of Japan

Automobile Insurance - Revision of Driver Rating System (Applicable from October 2012)

Under the old Driver Rating System, accident-free policyholders had to pay a part of the premiums that primarily policyholders involved in accidents would have had to pay. After the revision, rating levels are determined reflecting risks of each policyholder more accurately.

Old Driver Rating System

Overview

- Risk is classified into rating levels from 1 to 20 to ensure that premiums reflect the degree of risk according to a policyholders' prior accident record
- A rating coefficient (discount rate) is established for each rating level
- A driver with no accidents during a given year will be promoted to the next higher rating level in the following year. A driver involved in an accident will be demoted by three rating levels
 - Ratings shall be maintained at the same level if a driver suffers certain types of incidents such as vehicle theft, as well as damage due to flying debris or vandalism such as graffiti (hereinafter, "waived incident")

Problems

- Policyholders involved in accidents have a higher actual risk than justified by the premiums they pay
- Accident-free policyholders have a lower actual risk than justified by the premiums they pay

Revised Driver Rating System

Overview

- For policies in force, rating levels 7 to 20 were subdivided into an "accident-free coefficient" and an "accident coefficient"
- Ratings coefficients for all rating levels shall be revised to reflect the most recent actual risk
- The practice of recognizing waived incidents was abolished and replaced with demotion by one rating level
- The period¹ for applying the "accident coefficient" shall be three years for every accident resulting in a demotion by three rating levels (one year for an accident resulting in a demotion of one rating level)

<Example> When customers with rating level 18 received an insurance payment after being involved in an accident

	Old coefficient	Old coefficient			Old coefficient
Old	Level 18 -59%	Level 15 -52%	Level 16 -55%	Level 17 -57%	Level 18 -59%
		<One year later>	<Two years later>	<Three years later>	<Four years later>
	Accident-free	Accident coefficient			Accident-free
Revised	Level 18 -54%	Level 15 -33%	Level 16 -36%	Level 17 -38%	Level 18 -54%
		<One year later>	<Two years later>	<Three years later>	<Four years later>

Rate of premium increase from the old system² =>

39.6%

42.2%

44.2%

1. Up to six years

2. Rate of premium increase = Accident coefficient (after application of discount rate) / Old coefficient (after application of discount rate)

Life Insurance – Main Indicators

New business

Millions of yen, ten thousand policies

	1H FY2011						1H FY2012			1H FY2013		
	Sompoo Japan Himawari Life			Nippokoa Life			NKSJ Himawari Life			NKSJ Himawari Life		
	Amount	Change	Change	Amount	Change	Change	Amount	Change	Change	Amount	Change	Change
Number of policies of new business	17	+ 1	+ 9.0%	7	+ 1	+ 35.1%	19	- 5	- 20.8%	17	- 2	- 11.3%
Amount of new business	1,120,667	- 16,576	- 1.5%	476,684	+ 83,790	+ 21.3%	1,411,112	- 186,239	- 11.7%	1,325,518	- 85,594	- 6.1%
(Personal)	1,110,784	(- 16,052)	(- 1.4%)	466,305	(+ 85,253)	(+ 22.4%)	1,382,201	(- 194,888)	(- 12.4%)	1,290,464	(- 91,736)	(- 6.6%)
(Personal pension)	993	(- 68)	(- 6.5%)	7,953	(+ 2,435)	(+ 44.1%)	4,817	(- 4,129)	(- 46.2%)	3,523	(- 1,294)	(- 26.9%)
(Group)	8,889	(- 454)	(- 4.9%)	2,425	(- 3,897)	(- 61.6%)	24,093	(+ 12,778)	(+ 112.9%)	31,530	(+ 7,436)	(+ 30.9%)
(Group pension)	---	---	---	---	---	---	---	---	---	---	---	---
Annualized premium	13,058	+ 408	+ 3.2%	6,340	+ 1,084	+ 20.6%	17,216	- 2,182	- 11.3%	15,080	- 2,136	- 12.4%
(Personal)	13,017	(+ 410)	(+ 3.3%)	5,862	(+ 910)	(+ 18.4%)	17,006	(- 1,873)	(- 9.9%)	14,940	(- 2,066)	(- 12.2%)
(Personal pension)	40	(- 2)	(- 6.4%)	478	(+ 174)	(+ 57.6%)	210	(- 309)	(- 59.5%)	140	(- 70)	(- 33.4%)
(of which, third sector)	6,579	(+ 887)	(+ 15.6%)	1,200	(+ 29)	(+ 2.5%)	6,760	(- 1,019)	(- 13.1%)	6,258	(- 502)	(- 7.4%)

Business in force

Millions of yen, ten thousand policies

	FY2011			FY2012			1H FY2013		
	NKSJ Himawari Life			NKSJ Himawari Life			NKSJ Himawari Life		
	Amount	Change	Change	Amount	Change	Change	Amount	Change	Change
Number of policies of business in force	289	+ 27	+ 10.3%	312	+ 23	+ 8.0%	320	+ 8	+ 2.6%
Amount of business in force	20,761,287	+ 1,542,084	+ 8.0%	22,281,909	+ 1,520,622	+ 7.3%	22,778,617	+ 496,708	+ 2.2%
(Personal)	17,375,330	(+ 1,453,109)	(+ 9.1%)	18,879,699	(+ 1,504,368)	(+ 8.7%)	19,398,235	(+ 518,536)	(+ 2.7%)
(Personal pension)	284,382	(+ 5,281)	(+ 1.9%)	285,051	(+ 669)	(+ 0.2%)	283,376	(- 1,675)	(- 0.6%)
(Group)	3,101,574	(+ 83,693)	(+ 2.8%)	3,117,158	(+ 15,584)	(+ 0.5%)	3,097,005	(- 20,152)	(- 0.6%)
(Group pension)	---	---	---	---	---	---	---	---	---
Annualized premium	286,252	+ 10,436	+ 3.8%	300,504	+ 14,251	+ 5.0%	304,390	+ 3,886	+ 1.3%
(Personal)	270,285	(+ 10,095)	(+ 3.9%)	283,952	(+ 13,667)	(+ 5.1%)	287,388	(+ 3,435)	(+ 1.2%)
(Personal pension)	15,967	(+ 340)	(+ 2.2%)	16,551	(+ 584)	(+ 3.7%)	17,002	(+ 451)	(+ 2.7%)
(of which, third sector)	102,137	(+ 8,303)	(+ 8.8%)	108,455	(+ 6,317)	(+ 6.2%)	111,506	(+ 3,051)	(+ 2.8%)

EV (MCEV)

Millions of yen

	FY2011		FY2012	
	NKSJ Himawari Life		NKSJ Himawari Life	
	Amount	Change	Amount	Change
EV(FY end)	615,340	+ 148,265	674,815	+ 59,474
(Adjusted net worth)	137,119	(+ 29,395)	208,556	(+ 71,436)
(Value in force)	478,221	(+ 118,869)	466,259	(- 11,961)
(of which, new business value)	52,836	(+ 17,368)	47,088	(- 5,748)

Life Insurance – Profit and Loss

Profit and Loss

Millions of yen

	1H FY2011	1H FY2012	1H FY2013		
				Change	Change(%)
(+) Income from insurance premiums :a1	177,443	177,906	182,426	+ 4,520	+2.5%
(-) Insurance claims and other payments :a2	84,435	84,404	83,320	- 1,083	-1.3%
(-) Operating expenses :a3	42,210	40,267	40,053	- 214	-0.5%
(-) Provision for outstanding claims :a4	- 1,534	2,473	2,371	- 101	-4.1%
(-) Provision for underwriting reserves :a5	65,742	59,416	66,339	+ 6,923	+11.7%
(+) Net interest and dividend income :a6	14,893	16,033	17,470	+ 1,436	+9.0%
(+) Other ordinary income and expenses :a7	- 3,104	- 2,231	- 405	+ 1,826	-81.8%
Basic profit :A	- 1,620	5,146	7,406	+ 2,260	+43.9%
(+) Gains/losses on securities sales :b1	1,172	851	320	- 531	-62.4%
(-) Impairment losses on securities :b2	---	793	---	- 793	-100.0%
(-) Other capital gains/losses :b3	- 13	- 13	15	+ 29	-217.6%
Capital gain :B	1,158	44	335	+ 291	+660.1%
(-) Provision for contingency reserves :c1	1,015	695	418	- 276	-39.7%
(+) Other nonrecurrent item :c2	- 7	- 3	- 1	+ 1	-49.0%
Nonrecurrent item :C	- 1,023	- 698	- 420	+ 277	-39.8%
Ordinary profit (A+B+C) :P	- 1,484	4,491	7,321	+ 2,829	+63.0%
(+) Extraordinary gains/losses :D	- 3,937	- 160	- 248	- 87	+54.6%
(-) Provision for policyholders' dividend reserve :E	1,480	1,955	1,846	- 109	-5.6%
(-) Income taxes (incl. deferred tax) :F	- 2,314	1,024	1,902	+ 878	+85.7%
Net income (P+D-E-F)	- 4,588	1,350	3,324	+ 1,973	+146.1%

Millions of yen

FY2013(Forecast)		
	Change	Change (%)
	13,571	+ 1,466
		+12.1%

	13,823	+ 2,399
		+21.0%

	6,255	+ 1,834
		+41.5%

Total Assets

Millions of yen

	FY2011	FY2012	1H FY2013	
				Change
Total assets	1,809,210	1,972,630	2,035,054	+ 62,423

Net Assets

Millions of yen

	FY2011	FY2012	1H FY2013	
				Change
Net Assets	75,786	94,934	93,357	- 1,576

Solvency Margin Ratio - Life Insurance

Millions of yen

	FY2011	FY2012	1H FY2013
(A) Total Solvency Margin (non-consolidated)	199,339	233,561	236,852
Capital, etc	63,208	67,630	71,098
Reserve for price fluctuation	1,881	2,218	2,421
Contingency reserve	22,677	24,398	24,817
General allowance for possible loan losses	19	19	12
Unrealized gains on securities (before tax effect deductions)	16,358	35,357	28,996
Net unrealized gains and losses on real estate	---	---	---
Policy reserves in excess of surrender values	112,359	121,943	126,575
Subordinated debt, etc.	---	---	---
Policy reserves in excess of surrender values and subordinated debt, etc. which are excluded from total solvency margin	- 24,430	- 27,386	- 27,928
Brought in capital, etc.	---	---	---
Deductions	---	---	---
Others	7,264	9,379	10,859
(B) Total Risks (non-consolidated)	27,502	30,032	31,189
$[\sqrt{\{(R1+R8)^2+(R2+R3+R7)^2\}}+R4]$			
R1 Underwriting risk	11,109	12,088	12,388
R8 Underwriting risk for third-sector insurance products	5,625	6,041	6,158
R2 Guaranteed interest rate risk	8,084	8,167	8,189
R3 Investment risk	12,447	14,389	15,468
R4 Business management risk	752	820	851
R7 Guaranteed minimum benefit risk	337	347	351
(C) Solvency Margin Ratio (non-consolidated)	1449.5%	1555.3%	1518.7%
$(A)/\{1/2 \times (B)\} \times 100$			

* The calculation method has been revised on March 31, 2012.

Overseas Insurance Business

Millions of yen

	Companies	Net premiums written					Net income				
		1H FY2012	1H FY2013	Change	2013(E)	Change	1H FY2012	1H FY2013	Change	FY2013(E)	Change
North America	SJ America	4,579	6,708	+ 2,129	11,562	+ 2,501	989	675	- 313	1,179	- 483
	Other	---	---	---	---	---	---	6	+ 6	10	+ 10
North America Total		4,579	6,708	+ 2,129	11,562	+ 2,501	989	682	- 306	1,190	- 473

Europe	SJNK Europe	2,232	1,802	- 429	3,300	+ 2,188	780	- 170	- 950	- 206	- 682
	NK Europe	750	975	+ 225	1,298	+ 380	57	- 1,063	- 1,120	- 640	- 751
	Other	---	---	---	---	+ 0	- 80	---	+ 80	---	+ 170
Europe Total		2,982	2,778	- 204	4,599	+ 2,568	757	- 1,233	- 1,991	- 847	- 1,264

Turkey	SJ Sigorta	6,054	9,373	+ 3,319	18,151	+ 2,978	856	1,217	+ 361	1,594	- 13
Singapore	Tenet Sampo	1,938	2,806	+ 868	5,650	+ 1,544	1,979	2,882	+ 902	2,942	- 3,325
Malaysia	Berjaya Sampo	3,579	4,609	+ 1,029	9,081	+ 1,192	444	598	+ 154	1,371	+ 187
China	SJ China	2,373	3,225	+ 851	6,764	+ 1,188	140	- 39	- 179	- 1,143	- 607
	NK China	250	460	+ 209	926	+ 391	35	- 42	- 77	- 144	- 92
Hongkong	SJNK Hongkong	1,139	1,750	+ 610	3,151	+ 764	98	332	+ 234	314	+ 173
	NK Asia	334	90	- 244	85	- 707	87	55	- 32	107	- 55
Other		758	865	+ 106	2,245	+ 328	- 39	- 6	+ 33	- 39	+ 59
Asia & Middle East Total		16,429	23,181	+ 6,752	46,057	+ 7,681	3,601	4,999	+ 1,397	5,003	- 3,672

Brazil	Yasuda Seguros	7,017	10,449	+ 3,431	20,534	+ 5,252	139	278	+ 138	356	- 161
	Maritima	15,021	30,642	+ 15,620	70,191	+ 36,172	432	210	- 221	874	+ 291
South America Total		22,039	41,091	+ 19,052	90,726	+ 41,425	571	489	- 82	1,230	+ 130

Total		46,031	73,760	+ 27,729	152,946	+ 54,176	5,920	4,937	- 983	6,577	- 5,280
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* Net premiums written of subsidiaries and affiliates reflect holding shares of each company.

This treatment does not coincide with financial statements.

* Net income reflects holding shares of each subsidiaries and affiliates, and figures are before consolidation adjustments (except for SJNK Europe, Tenet Sampo).

* Affiliates accounted for under the equity method are included in "others".

The Maritima's results before Jun 2013 (it became our subsidiary) is included in "Maritima".

* Figures of Tenet Sampo for 1HFY2012 are the sum of SJ Singapore and Tenet.

Numerical management targets

(Billions of yen)

		FY 2011 (Actual)	FY 2012 (Actual)	FY 2013		FY 2015 (Plan)
				(Previous)	(Revised)	
Domestic P&C insurance business	Adjusted profit	-71.3	-8.9	12.9	25.3	70.0-80.0
Numerical targets of two P&C insurers	Net premiums written	1,911.7	1,966.2	2,035.0	2,048.1	2,040.0
	(Exc. CALI)	1,654.0	1,691.7	1,742.6	1,751.0	1,740.0
	Loss ratio	81.9%	72.0%	68.0%	67.2%	65.6%
	(Exc. CALI/Fin. Guarantee)	79.2%	68.8%	64.8%	64.4%	62.8%
	Expense ratio	33.7%	33.4%	32.8%	32.6%	30.6%
	(Exc. CALI)	35.4%	35.2%	34.9%	34.6%	32.6%
Domestic life insurance business	Growth in embedded value (EV)	100.0	107.8	95.0	95.0	100.0-110.0
	Overseas insurance business	Net income as reported in financial statements	-19.7	11.8	4.3	6.5
Financial services, etc.	Net income as reported in financial statements	-7.6	0.7	1.1	1.1	2.0-3.0
Group total	Adjusted consolidated profit	1.2	111.6	113.5	128.0	180.0-210.0
Adjusted ROE		0.1%	5.4%	4.9%	5.4%	Over 7%

Definition of Adjusted Profit

Definition of Business		Calculation Method for Adjusted Profit
Domestic P&C Insurance	Total of Sompo Japan, Nipponkoa (Sompo Japan Nipponkoa Insurance Inc. for FY2015), Sonpo 24 and Saison Automobile & Fire (non-consolidated)	Net income for the period + Provisions for catastrophic loss reserve (after tax) + Provisions for reserve for price fluctuation (after tax) - gains/losses on sales of securities and impairment losses on securities (after tax) - Special factors
Domestic Life Insurance	NKSJ Himawari Life	Growth in Embedded Value (EV) - Capital transactions such as equity issuance - Changes in EV attributable to fluctuation of interest rates, etc.
Overseas Insurance	Overseas insurance subsidiaries	Net income for the period as reported in financial statements
Financial and Other Services	Sompo Japan DIY, Financial services, Healthcare business, etc.	Net income for the period as reported in financial statements

* Sonpo 24 and Saison Automobile & Fire were reclassified from the financial and other services to the domestic P&C insurance in line with the revision of the management plan implemented in November 2012.

(Calculation Method for Adjusted Consolidated ROE)

$$\text{Adjusted Consolidated ROE} = \frac{\text{Adjusted consolidated profit}}{\text{Consolidated net assets (excluding life insurance subsidiaries' net assets) + Catastrophic loss reserve (after tax) + Reserve for price fluctuation (after tax) + Life insurance subsidiaries' EV}}$$

*The denominator is the average balance at the end/start of each fiscal year.

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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