

November 19, 2021

## Sompo Holdings, Inc.

### Summary of Consolidated Financial Results for the six months ended September 30, 2021 [Under Japanese GAAP]

Company Name: Sompo Holdings, Inc.  
Listed on: Tokyo Stock Exchange  
Securities Code: 8630  
URL: <https://www.sompo-hd.com/en/>  
Representative: Kengo Sakurada, Group CEO, Director, President and Representative Executive Officer  
Scheduled date to file Quarterly Securities Report: November 26, 2021  
Scheduled date to start payment of dividends: December 7, 2021  
Supplementary information for quarterly financial statements: Yes  
Schedule for quarterly investor meeting: Yes (intended for institutional investors and analysts)

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

#### 1. Consolidated Financial Results for the six months ended September 30, 2021 (April 1 to September 30, 2021)

##### (1) Consolidated Results of Operations

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

	Ordinary income		Ordinary profit		Net income attributable to shareholders of the parent	
	millions of yen	%	millions of yen	%	millions of yen	%
Six months ended September 30, 2021	2,179,729	9.8	190,596	145.9	130,735	230.0
Six months ended September 30, 2020	1,985,323	1.5	77,516	21.6	39,616	(9.8)
Note) Comprehensive income:	Six months ended September 30, 2021		186,545	million yen	13.2	%
	Six months ended September 30, 2020		164,726	million yen	90.6	%

	Net income per share	Diluted net income per share
	yen	yen
Six months ended September 30, 2021	370.35	370.13
Six months ended September 30, 2020	109.48	109.42

##### (2) Consolidated Financial Conditions

	Total assets	Net assets	Equity ratio
	millions of yen	millions of yen	%
As of September 30, 2021	13,789,050	2,151,164	15.5
As of March 31, 2021	13,118,656	2,031,168	15.4

Reference) Equity capital: As of September 30, 2021 2,139,107 million yen  
As of March 31, 2021 2,018,361 million yen

#### 2. Dividends

	Dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Annual
	yen	yen	yen	yen	yen
Fiscal year ended March 31, 2021	—	80.00	—	90.00	170.00
Fiscal year ending March 31, 2022	—	105.00			
Fiscal year ending March 31, 2022 (Forecast)			—	105.00	210.00

Note) Revisions to the latest announced dividends forecasts: None

### 3. Forecasts of Consolidated Financial Results for the fiscal year ending March 31, 2022 (April 1, 2021 to March 31, 2022)

Note) Percentages are changes from previous fiscal year.

	Ordinary profit		Net income attributable to shareholders of the parent		Net income per share
	millions of yen	%	millions of yen	%	yen
Full year	267,000	24.1	178,000	24.9	510.5

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

#### (Notes)

- (1) Changes in significant subsidiaries during the six months ended September 30, 2021 (changes in specified subsidiaries resulting in changes in the scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimations, and retrospective restatements
  - (a) Changes in accounting policies due to revisions to accounting standards, etc.: Yes
  - (b) Changes in accounting policies due to reasons other than the above: None
  - (c) Changes in accounting estimations: None
  - (d) Retrospective restatements: None
- (3) Number of shares outstanding (Common stock) :
  - (a) Total shares outstanding including treasury stock:
 

As of September 30, 2021	373,330,489 shares
As of March 31, 2021	373,330,489 shares
  - (b) Treasury stock:
 

As of September 30, 2021	24,655,839 shares
As of March 31, 2021	18,373,946 shares
  - (c) Average number of shares outstanding:
 

For the six months ended September 30, 2021	353,003,572 shares
For the six months ended September 30, 2020	361,836,323 shares

#### (Expression of implementation status of interim audit procedures)

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

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

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

Sompo Holdings, Inc. prepares the interim consolidated financial statements for the six months ended September 30, 2021, since it conducts business defined in the provision of Article 17-15, Paragraph (2) of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc.

## Interim Consolidated Financial Statements and Major Notes

## (1) Interim Consolidated Balance Sheet

	(Millions of yen)	
	As of March 31, 2021	As of September 30, 2021
Assets:		
Cash and deposits	1,068,985	1,253,675
Receivables under resale agreements	59,999	59,999
Monetary receivables bought	21,700	22,097
Money trusts	27,698	18,063
Securities	9,036,200	9,327,173
Loans	639,631	582,810
Tangible fixed assets	362,195	361,183
Intangible fixed assets	422,238	429,576
Other assets	1,481,467	1,732,073
Net defined benefit asset	83	119
Deferred tax assets	6,652	10,530
Allowance for possible credit losses	(8,196)	(8,252)
Total assets	<u>13,118,656</u>	<u>13,789,050</u>
Liabilities:		
Underwriting funds:	8,891,259	9,335,280
Reserve for outstanding losses and claims	1,646,818	1,793,674
Underwriting reserves	7,244,440	7,541,606
Corporate bonds	529,591	535,903
Other liabilities	1,380,322	1,484,062
Net defined benefit liability	80,497	83,418
Reserve for retirement benefits to directors	35	29
Reserve for bonus payments	30,421	31,023
Reserve for bonus payments to directors	1,083	187
Reserve for stocks payments	1,953	2,401
Reserves under the special laws:	100,212	102,674
Reserve for price fluctuation	100,212	102,674
Deferred tax liabilities	72,109	62,902
Total liabilities	<u>11,087,487</u>	<u>11,637,885</u>
Net assets:		
Shareholders' equity:		
Common stock	100,045	100,045
Capital surplus	244,060	244,058
Retained earnings	876,066	970,636
Treasury stock	(73,772)	(102,967)
Total shareholders' equity	<u>1,146,399</u>	<u>1,211,773</u>
Accumulated other comprehensive income:		
Unrealized gains and losses on securities available for sale	997,904	1,003,097
Deferred gains and losses on hedges	4,406	3,987
Foreign currency translation adjustments	(141,211)	(90,666)
Remeasurements of defined benefit plans	10,862	10,915
Total accumulated other comprehensive income	<u>871,961</u>	<u>927,333</u>
Stock acquisition rights	467	460
Non-controlling interests	12,340	11,596
Total net assets	<u>2,031,168</u>	<u>2,151,164</u>
Total liabilities and net assets	<u>13,118,656</u>	<u>13,789,050</u>

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

	(Millions of yen)	
	Six months ended September 30, 2020 (April 1 to September 30, 2020)	Six months ended September 30, 2021 (April 1 to September 30, 2021)
Ordinary income:	1,985,323	2,179,729
Underwriting income:	1,806,408	1,917,252
Net premiums written	1,568,892	1,701,797
Deposits of premiums by policyholders	50,230	40,889
Interest and dividend income on deposits of premiums, etc.	16,956	15,233
Life insurance premiums written	168,837	157,935
Investment income:	99,103	179,357
Interest and dividend income	85,014	111,327
Investment gains on money trusts	1,495	814
Investment gains on trading securities	277	889
Gains on sales of securities	26,514	68,895
Transfer of interest and dividend income on deposits of premiums, etc.	(16,956)	(15,233)
Other ordinary income	79,811	83,119
Ordinary expenses:	1,907,806	1,989,132
Underwriting expenses:	1,550,298	1,620,956
Net claims paid	712,200	746,740
Loss adjustment expenses	64,274	65,388
Net commissions and brokerage fees	274,351	306,162
Maturity refunds to policyholders	87,553	78,886
Life insurance claims paid and other payments	45,649	46,946
Provision for reserve for outstanding losses and claims	59,121	103,383
Provision for underwriting reserves	301,753	272,046
Investment expenses:	25,774	13,612
Investment losses on money trusts	15	44
Losses on sales of securities	6,025	3,417
Impairment losses on securities	6,075	5,892
Operating, general and administrative expenses	264,536	283,372
Other ordinary expenses:	67,197	71,190
Interest paid	6,895	7,399
Ordinary profit	77,516	190,596
Extraordinary gains:	1,048	661
Gains on disposal of fixed assets	1,048	661
Extraordinary losses:	14,963	3,163
Losses on disposal of fixed assets	710	701
Impairment losses	9,371	—
Provision for reserves under the special laws:	2,345	2,462
Provision for reserve for price fluctuation	2,345	2,462
Other extraordinary losses	2,535	—
Net income before income taxes	63,601	188,094
Income taxes	46,473	70,321
Deferred income taxes	(22,856)	(13,827)
Total income taxes	23,617	56,493
Net income	39,984	131,601
Net income attributable to non-controlling interests	367	865
Net income attributable to shareholders of the parent	39,616	130,735

## Interim Consolidated Statement of Comprehensive Income

	(Millions of yen)	
	Six months ended September 30, 2020 (April 1 to September 30, 2020)	Six months ended September 30, 2021 (April 1 to September 30, 2021)
Net income	39,984	131,601
Other comprehensive income:		
Unrealized gains and losses on securities available for sale	155,526	4,894
Deferred gains and losses on hedges	(557)	(418)
Foreign currency translation adjustments	(30,222)	50,426
Remeasurements of defined benefit plans	(127)	51
Share of other comprehensive income of affiliates accounted for under the equity method	123	(9)
Total other comprehensive income	<u>124,742</u>	<u>54,944</u>
Comprehensive income	<u>164,726</u>	<u>186,545</u>
(Comprehensive income attributable to)		
Comprehensive income attributable to shareholders of the parent	164,640	186,108
Comprehensive income attributable to non-controlling shareholders	85	437

(3) Interim Consolidated Statement of Changes in Net Assets  
Six months ended September 30, 2020 (April 1 to September 30, 2020)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	100,045	244,129	788,922	(38,842)	1,094,254
Changes during the period:					
Dividends			(27,388)		(27,388)
Net income attributable to shareholders of the parent			39,616		39,616
Acquisition of treasury stock				(25,871)	(25,871)
Disposal of treasury stock		(69)		391	322
Changes in the scope of consolidation			(8)		(8)
Changes in the scope of the equity method			729		729
Net changes in items other than shareholders' equity					
Total changes during the period	—	(69)	12,948	(25,479)	(12,600)
Balance at the end of the period	100,045	244,060	801,871	(64,322)	1,081,654

	Accumulated other comprehensive income					Stock acquisition rights	Non-controlling interests	Total net assets
	Unrealized gains and losses on securities available for sale	Deferred gains and losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the period	578,261	5,593	(83,214)	2,103	502,743	551	15,033	1,612,584
Changes during the period:								
Dividends								(27,388)
Net income attributable to shareholders of the parent								39,616
Acquisition of treasury stock								(25,871)
Disposal of treasury stock								322
Changes in the scope of consolidation								(8)
Changes in the scope of the equity method								729
Net changes in items other than shareholders' equity	155,446	(557)	(29,739)	(126)	125,023	(84)	(3,063)	121,876
Total changes during the period	155,446	(557)	(29,739)	(126)	125,023	(84)	(3,063)	109,276
Balance at the end of the period	733,708	5,036	(112,953)	1,976	627,767	467	11,970	1,721,860

## Six months ended September 30, 2021 (April 1 to September 30, 2021)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	100,045	244,060	876,066	(73,772)	1,146,399
Changes during the period:					
Dividends			(32,035)		(32,035)
Net income attributable to shareholders of the parent			130,735		130,735
Acquisition of treasury stock				(29,320)	(29,320)
Disposal of treasury stock		(1)		126	124
Changes in the scope of consolidation			(4,130)		(4,130)
Net changes in items other than shareholders' equity					
Total changes during the period	—	(1)	94,569	(29,194)	65,374
Balance at the end of the period	100,045	244,058	970,636	(102,967)	1,211,773

	Accumulated other comprehensive income					Stock acquisition rights	Non-controlling interests	Total net assets
	Unrealized gains and losses on securities available for sale	Deferred gains and losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the period	997,904	4,406	(141,211)	10,862	871,961	467	12,340	2,031,168
Changes during the period:								
Dividends								(32,035)
Net income attributable to shareholders of the parent								130,735
Acquisition of treasury stock								(29,320)
Disposal of treasury stock								124
Changes in the scope of consolidation								(4,130)
Net changes in items other than shareholders' equity	5,192	(418)	50,544	53	55,372	(7)	(743)	54,621
Total changes during the period	5,192	(418)	50,544	53	55,372	(7)	(743)	119,995
Balance at the end of the period	1,003,097	3,987	(90,666)	10,915	927,333	460	11,596	2,151,164

(4) Notes on Going-Concern Assumption

None.

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

(Changes in Accounting Policies)

1. Application of “Accounting Standard for Fair Value Measurement”, etc.

The Company applied “Accounting Standard for Fair Value Measurement” (Accounting Standards Board of Japan (ASBJ) Statement No.30, July 4, 2019, hereinafter “Accounting Standard for Fair Value Measurement”), etc. from the beginning of the fiscal year 2021 and the Company is going to apply the new accounting policy specified in “Accounting Standard for Fair Value Measurement”, etc. for the future in accordance with the transitional treatment based on Article 19 of “Accounting Standard for Fair Value Measurement” and Article 44-2 of “Accounting Standard for Financial Instruments” (ASBJ Statement No.10, July 4, 2019).

In addition, the effect on Interim Consolidated Financial Statements is immaterial.

2. Application of “Accounting Standard for Revenue Recognition”, etc.

The Company applied “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020, hereinafter “Accounting Standard for Revenue Recognition”), etc. from the beginning of the fiscal year 2021 and recognizes the revenue as the amount expected to be entitled in exchange for goods or services when the promised goods or services transferred to the customers.

The Company hereby recognizes the revenue from the service for the nursing home residents, to which the Company previously recognized the revenue as the gross amount received from the customers, as the net amount that remains after deducting the amount to pay to the suppliers from the amount received from the customers regarding the transaction in which the SOMPO HOLDINGS’s role is the agent.

The Company applies “Accounting Standard for Revenue Recognition”, etc. in accordance with the transitional treatment based on the conditional clause of Article 84 of “Accounting Standard for Revenue Recognition.”

In addition, the effect of application of the accounting standard on Interim Consolidated Financial Statements is immaterial.



## Supplementary Information

### (1) Summary of Results of Operations (Consolidated)

(Millions of yen)

	Six months ended September 30, 2020 (April 1 to September 30, 2020)	Six months ended September 30, 2021 (April 1 to September 30, 2021)	Increase (Decrease)	Rate of change
Ordinary income and expenses:				%
Underwriting income:	1,806,408	1,917,252	110,844	6.1
Net premiums written	1,568,892	1,701,797	132,905	8.5
Deposits of premiums by policyholders	50,230	40,889	(9,341)	(18.6)
Life insurance premiums written	168,837	157,935	(10,901)	(6.5)
Underwriting expenses:	1,550,298	1,620,956	70,657	4.6
Net claims paid	712,200	746,740	34,540	4.8
Loss adjustment expenses	64,274	65,388	1,114	1.7
Net commissions and brokerage fees	274,351	306,162	31,811	11.6
Maturity refunds to policyholders	87,553	78,886	(8,667)	(9.9)
Life insurance claims paid and other payments	45,649	46,946	1,297	2.8
Provision for reserve for outstanding losses and claims	59,121	103,383	44,261	74.9
Provision for underwriting reserves	301,753	272,046	(29,707)	(9.8)
Investment income:	99,103	179,357	80,254	81.0
Interest and dividend income	85,014	111,327	26,312	31.0
Gains on sales of securities	26,514	68,895	42,381	159.8
Investment expenses:	25,774	13,612	(12,161)	(47.2)
Losses on sales of securities	6,025	3,417	(2,608)	(43.3)
Impairment losses on securities	6,075	5,892	(183)	(3.0)
Operating, general and administrative expenses	264,536	283,372	18,836	7.1
Other ordinary income and expenses	12,613	11,928	(685)	(5.4)
Ordinary profit	77,516	190,596	113,080	145.9
Extraordinary gains and losses:				
Extraordinary gains	1,048	661	(387)	(36.9)
Extraordinary losses	14,963	3,163	(11,800)	(78.9)
Extraordinary gains and losses	(13,915)	(2,502)	11,413	—
Net income before income taxes	63,601	188,094	124,493	195.7
Income taxes	46,473	70,321	23,848	51.3
Deferred income taxes	(22,856)	(13,827)	9,028	—
Total income taxes	23,617	56,493	32,876	139.2
Net income	39,984	131,601	91,616	229.1
Net income attributable to non-controlling interests	367	865	497	135.5
Net income attributable to shareholders of the parent	39,616	130,735	91,118	230.0

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

Direct premiums written (including deposits of premiums by policyholders)

(Millions of yen)

Business line	Six months ended September 30, 2020 (April 1 to September 30, 2020)			Six months ended September 30, 2021 (April 1 to September 30, 2021)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	327,096	19.5	11.4	344,215	18.5	5.2
Marine insurance	47,061	2.8	(0.0)	52,286	2.8	11.1
Personal accident insurance	133,936	8.0	(7.0)	127,423	6.8	(4.9)
Voluntary automobile insurance	610,130	36.3	(0.7)	607,752	32.6	(0.4)
Compulsory automobile liability insurance	116,927	7.0	(22.9)	112,020	6.0	(4.2)
Others	444,715	26.5	7.4	620,173	33.3	39.5
Total	1,679,868	100.0	0.9	1,863,873	100.0	11.0
Deposits of premiums by policyholders	50,230	3.0	(11.3)	40,889	2.2	(18.6)

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

Net premiums written

(Millions of yen)

Business line	Six months ended September 30, 2020 (April 1 to September 30, 2020)			Six months ended September 30, 2021 (April 1 to September 30, 2021)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	245,854	15.7	11.0	273,268	16.1	11.2
Marine insurance	47,881	3.1	(6.0)	48,858	2.9	2.0
Personal accident insurance	85,307	5.4	(10.5)	85,854	5.0	0.6
Voluntary automobile insurance	612,241	39.0	0.2	608,835	35.8	(0.6)
Compulsory automobile liability insurance	123,473	7.9	(15.4)	114,517	6.7	(7.3)
Others	454,134	28.9	20.2	570,463	33.5	25.6
Total	1,568,892	100.0	4.4	1,701,797	100.0	8.5

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

Net claims paid

(Millions of yen)

Business line	Six months ended September 30, 2020 (April 1 to September 30, 2020)			Six months ended September 30, 2021 (April 1 to September 30, 2021)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	122,767	17.2	(2.0)	153,687	20.6	25.2
Marine insurance	22,840	3.2	(3.5)	22,345	3.0	(2.2)
Personal accident insurance	36,608	5.1	(17.6)	35,378	4.7	(3.4)
Voluntary automobile insurance	283,855	39.9	(10.2)	295,418	39.6	4.1
Compulsory automobile liability insurance	81,325	11.4	(15.5)	78,199	10.5	(3.8)
Others	164,802	23.1	6.9	161,709	21.7	(1.9)
Total	712,200	100.0	(6.2)	746,740	100.0	4.8

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

## (3) Securities (Consolidated)

## 1. Bonds held to maturity

(Millions of yen)

		As of March 31, 2021			As of September 30, 2021		
		Carrying amount	Fair value	Unrealized gains and losses	Carrying amount	Fair value	Unrealized gains and losses
Securities whose fair value exceeds their carrying amount	Domestic bonds	1,158,582	1,411,949	253,367	1,130,939	1,383,263	252,323
	Foreign securities	22,469	23,592	1,122	19,705	21,774	2,068
	Subtotal	1,181,051	1,435,541	254,490	1,150,645	1,405,037	254,392
Securities whose fair value does not exceed their carrying amount	Domestic bonds	30,728	29,713	(1,014)	70,450	69,284	(1,166)
	Foreign securities	10,066	9,778	(287)	7,071	6,915	(155)
	Subtotal	40,794	39,492	(1,302)	77,521	76,200	(1,321)
Total		1,221,845	1,475,033	253,187	1,228,167	1,481,238	253,070

## 2. Policy reserve matching bonds

(Millions of yen)

		As of March 31, 2021			As of September 30, 2021		
		Carrying amount	Fair value	Unrealized gains and losses	Carrying amount	Fair value	Unrealized gains and losses
Securities whose fair value exceeds their carrying amount	Domestic bonds	348,093	376,692	28,599	398,302	429,008	30,705
Securities whose fair value does not exceed their carrying amount	Domestic bonds	403,529	391,420	(12,108)	469,061	456,895	(12,165)
Total		751,622	768,113	16,490	867,364	885,903	18,539

## 3. Securities available for sale

(Millions of yen)

		As of March 31, 2021			As of September 30, 2021		
		Carrying amount	Cost	Unrealized gains and losses	Carrying amount	Cost	Unrealized gains and losses
Securities whose carrying amount exceeds their cost	Domestic bonds	1,633,949	1,502,590	131,359	1,659,161	1,529,957	129,203
	Domestic stocks	1,243,617	407,488	836,128	1,258,411	393,576	864,835
	Foreign securities	2,806,275	2,385,754	420,521	2,839,727	2,445,465	394,262
	Others	162,470	141,843	20,626	210,202	184,701	25,501
	Subtotal	5,846,312	4,437,677	1,408,635	5,967,502	4,553,700	1,413,801
Securities whose carrying amount does not exceed their cost	Domestic bonds	472,623	485,343	(12,720)	385,496	395,052	(9,556)
	Domestic stocks	28,175	33,447	(5,271)	35,545	40,348	(4,803)
	Foreign securities	587,797	601,944	(14,146)	737,780	752,564	(14,784)
	Others	79,250	80,740	(1,490)	50,802	50,921	(118)
	Subtotal	1,167,846	1,201,475	(33,628)	1,209,624	1,238,887	(29,262)
Total		7,014,159	5,639,152	1,375,006	7,177,126	5,792,588	1,384,538

## Notes)

As of March 31, 2021	As of September 30, 2021
<p>1. Securities available for sale which are considered extremely difficult to figure out their fair value are not included in the above table.</p> <p>2. Certificate of deposit classified as cash and deposits and beneficial interests in the loan trusts, etc. classified as monetary receivables bought in the consolidated balance sheet are included in "Others" above.</p>	<p>1. Stocks and others without a quoted market price and Investments in Partnerships are not included in the above table.</p> <p>2. Certificate of deposit classified as cash and deposits and beneficial interests in the loan trusts, etc. classified as monetary receivables bought in the interim consolidated balance sheet are included in "Others" above.</p>

## 4. Securities for which impairment losses are recognized

Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)	Six months ended September 30, 2021 (April 1 to September 30, 2021)
<p>For the fiscal year ended March 31, 2021, impairment losses on securities available for sale (excluding securities available for sale which are considered extremely difficult to figure out their fair value) amount to 1,722 million yen (domestic stocks: 164 million yen, foreign securities: 1,557 million yen), and impairment losses on securities available for sale which are considered extremely difficult to figure out their fair value amount to 2,175 million yen (domestic stocks: 716 million yen, foreign securities: 1,458 million yen). Basically, impairment losses on securities are recognized if fair value at the end of the fiscal year declines by 30% or more from their cost.</p>	<p>For the six months ended September 30, 2021, impairment losses on securities available for sale (excluding stocks and others without a quoted market price and Investments in Partnerships) amount to 3,221 million yen (domestic stocks: 2,816 million yen, foreign securities: 404 million yen), and impairment losses on stocks and others without a quoted market price and Investments in Partnerships amount to 759 million yen (domestic stocks: 753 million yen, foreign securities: 6 million yen). Basically, impairment losses on securities are recognized if fair value at the end of the second quarter declines by 30% or more from their cost.</p>