NKSJ HOLDINGS

Management Plan of NKSJ Group

September 28, 2011

NKSJ Holdings, Inc.

Contents

Progress of Business Integration

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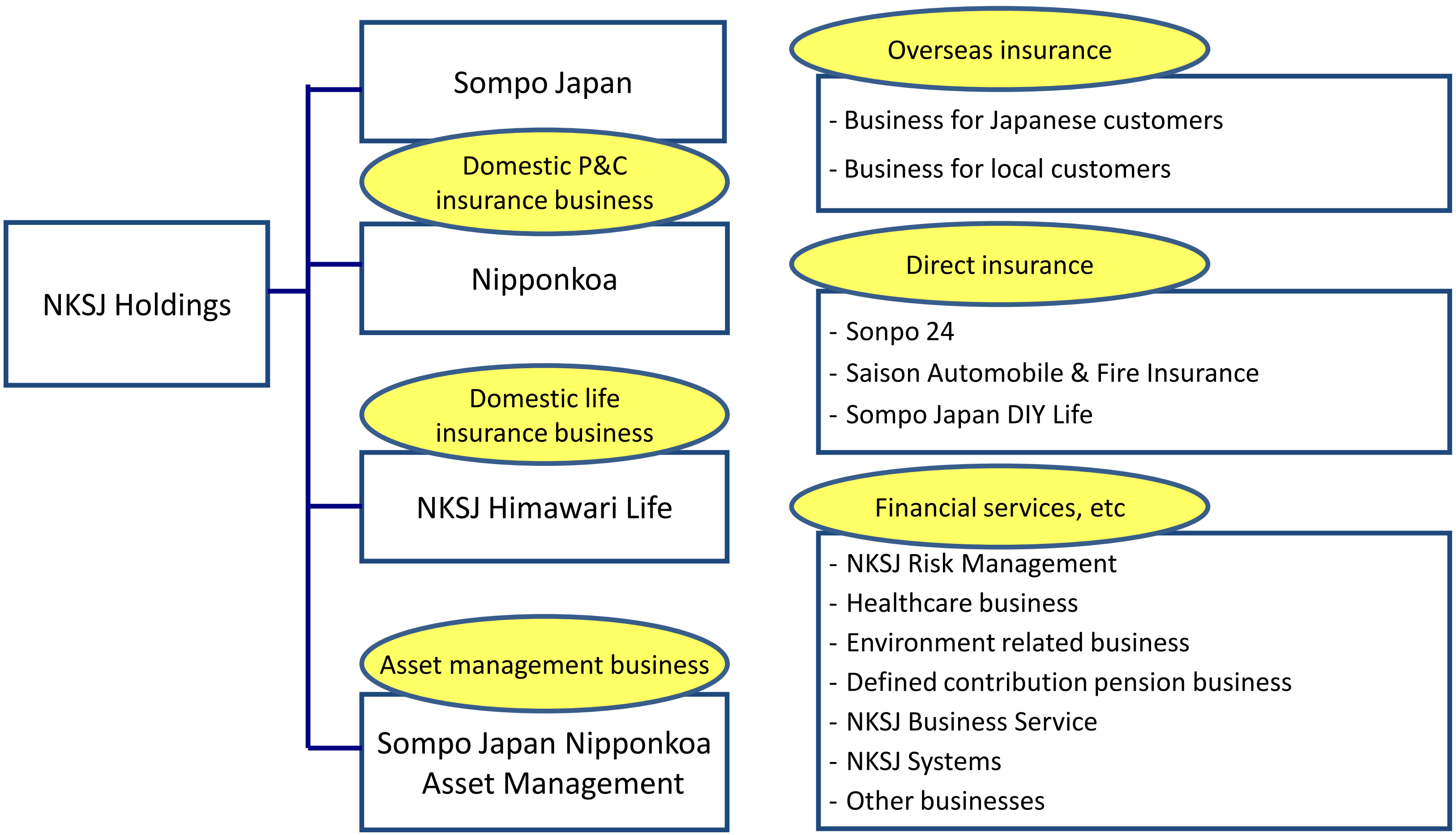
■ **Steady progress on integration of Group companies**

■ **On October 1, 2011, NKSJ Himawari Life Insurance, Inc. will be created and will become a core company of the Group**



Events Leading Up to the Revised Management Plan

April 2010: NKSJ Holdings, Inc. was formed.

May 2010: The Company formulated and announced its initial management plan.

<Changes in Domestic P&C Insurance Environment >

- Declining automobile insurance profitability due to an increase in auto accidents and other factors
- Negative impact of the Great East Japan Earthquake on systems integration

<Steady Progress in Growing Fields>

- Domestic life insurance has seen stronger-than-anticipated top-line growth in high-margin products.
- The yen's appreciation has made overseas M&As more attractive. Acquired companies are starting to contribute to Group earnings.

September 2011:

- **The Company formulated a newly revised management plan centered on refining the business integration model of the two P&C insurance companies and standardizing and unifying business strategies and various other measures.**
- **The Company will work to build a new business integration model for the domestic P&C insurance business, delineated by an ultimate one-platform, two-brands structure, with an eye to enhance profitability. The Company will take Group-wide initiatives aiming to <u>establish a new company</u> which can compete effectively on the global stage.**
- **The final fiscal year of the plan is pushed back one year to FY2015. The consolidated profit targets are maintained.**

Refinement of Business Integration Model

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- The Company will work to build a new business integration model for the domestic P&C insurance business, delineated by an ultimate one-platform, two-brands structure, with an eye to enhance profitability. The Company aims to win the support of all its stakeholders and establish a new company which can compete effectively on the global stage.
- Giving priority to standardizing and unifying the business strategies and various other measures of the two P&C insurance companies,
  - Domestic P&C insurance will raise efficiency by further sharing business platforms; and,
  - Domestic life insurance and overseas insurance will accelerate growth based on stronger support and transfers of capital and personnel from P&C insurance.

Standardizing Head Office functions

Standardize and unify business strategies and various other measures of the two P&C insurance companies

Integrate Head Office promoting and supporting functions

Domestic P&C insurance business

Sharing business platforms

- Standardize operations and functions of business bases
- Integrate all systems
- Joint initiatives on personnel affairs

Transfer capital and personnel from the domestic P&C insurance business

Domestic life insurance business, overseas insurance business and financial and other services

Enhance the promotion and support framework, speed up the allocation of management resources

- Merger of domestic life insurance companies
- Integration of overseas bases

Boost efficiency

Accelerate growth

New Business Integration Model—Domestic P&C Insurance

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Relentlessly pursue the sharing of business platforms

	Initial management plan (announced in May 2010)		New management plan
Head Office	No standardization	→	**Joint Head Office** (from FY2012, completed by the end of 1H FY2013)
Sales and claim offices	No standardization	→	**Co-locate business bases** (Co-locate sales office bases by the end of FY2012, and claim office bases by the end of FY2013) **Standardize operations** (Standardize sales operations by the end of FY2013 and claim office operations by the end of FY2014)
Call centers	Joint use of certain call centers	→	**Integrate call center functions**
Systems integration	Phase in integration mainly in product and administration systems	→	**Integrate systems in all fields** (April 2014)
Personnel	No joint initiatives	→	**Joint initiatives on personnel affairs** **Joint recruitment** (April 2014 new entrants and onwards) and other initiatives

New Business Integration Model
—Domestic Life Insurance, Overseas Insurance, etc.

Enhance support for domestic life insurance and overseas insurance by integrating promotion and support functions of the two P&C insurance companies

Integration of promotion and support functions of the two P&C insurance companies

Integration by December 2011

Domestic life insurance

- Enhance the sales efficiency of the domestic life insurance business
- Expand P&C insurers' channels for selling life insurance

Integration by April 2012

Overseas insurance

- Unify functions for exploring overseas M&As in the overseas insurance business
- Integrate overseas bases, in principle, by the end of FY2013

Integration by April 2012

Financial and other services

- Unify functions for exploring new domestic business

New Business Integration Model—Schedule

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Fiscal year	Domestic P&C insurance	Domestic life insurance, overseas insurance, financial and other services
	Establish in October 2011 a joint promotion framework co-chaired by Kengo Sakurada, president of Sompo Japan and Masaya Futamiya, president of Nipponkoa.	
FY2011	◆ Start co-location of Head Office (December)	◆ Integrate domestic life insurance business — "NKSJ Himawari Life" start operation (October 1) ◆ Integrate supporting and promoting function for life insurance by two P&C insurance companies
FY2012	◆ Start operation as a joint Head Office (April) ◆ Complete co-location of Head Office (by the end of 1H) ◆ Co-locate sales office bases (by the end of FY2012)	◆ Integrate supporting and promoting function for overseas insurance by two P&C insurance companies (April) ◆ Integrate supporting and promoting function for financial and other services by two P&C insurance companies (April)
FY2013	◆ Start joint recruitment of April 2014 new entrants and onwards ◆ Complete operation as a joint Head Office (by the end of 1H) ◆ Standardize sales operations (by fiscal year end) ◆ Co-locate claim office bases (by fiscal year end)	◆ Integrate overseas bases (by fiscal year end)
FY2014	◆ Integrate systems in all fields (April) ◆ Standardize claim office operations (by fiscal year end)	

Direction for Reforms in Each Business

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Reallocate resources by establishing a clear direction for reforms in each business

<table>
<tr><th rowspan="2"></th><th colspan="3">Direction of reforms</th><th colspan="2" rowspan="2">Reform concept</th></tr>
<tr><th>Efficiency</th><th>Expansion</th><th>Prioritization</th></tr>
<tr><td>Domestic P&C insurance business</td><td>◎</td><td></td><td>○</td><td colspan="2">Relentlessly pursue efficiency by sharing business platforms between the two P&C insurance companies
• Co-locate bases and organizations as well as standardize operations and functions
• Expand systems integration
• Joint initiatives on personnel affairs</td></tr>
<tr><td>Domestic life insurance business</td><td>○</td><td>◎</td><td></td><td rowspan="3">Promote businesses under a single organization in the joint Head Office by integrating the support framework and functions of the two P&C insurance companies for each business</td><td>• Standardize and unify business strategies and various other measures of the two P&C insurance companies
• Drive top-line growth and higher efficiency through the merger
• Actively deploy human resources</td></tr>
<tr><td>Overseas insurance business</td><td>○</td><td>◎</td><td></td><td>• Unify functions for exploring M&As and for business administration systems
• Integrate all overseas bases, in principle
• Actively allocate capital and human resources</td></tr>
<tr><td>Financial and other services</td><td></td><td>○</td><td>◎</td><td>• Clarify strategic fields
• Unify functions for exploring new domestic business and for management systems of domestic Group companies</td></tr>
</table>

Numerical Targets (FY2015)

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Maintain the consolidated profit and consolidated ROE targets of the initial plan

Adjusted consolidated profit *1	
¥160 billion	
Initial plan *2	¥160 billion
FY2010 (Actual)	¥80.7 billion

Adjusted consolidated ROE *1	
7% or more	
Initial plan	7% or more
FY2010 (Actual)	4.2%

Combined ratio (Domestic P&C insurance) *3	
95%	
Initial plan	94%
FY2010 (Actual)	100.1%

Cost reductions (vs. FY2010) (Domestic P&C insurance) *4
Approx. ¥60 billion

Notes:
*1 Please see page 28 for definitions of adjusted consolidated profit and adjusted consolidated ROE.
*2 “Initial plan” refers to targets for FY2014.
*3 The combined ratio excludes compulsory automobile liability insurance and financial guarantees.
*4 “Cost” refers to company expenses related to the insurance business (excluding agency fees, but including loss adjustment expenses; excluding compulsory automobile liability insurance).

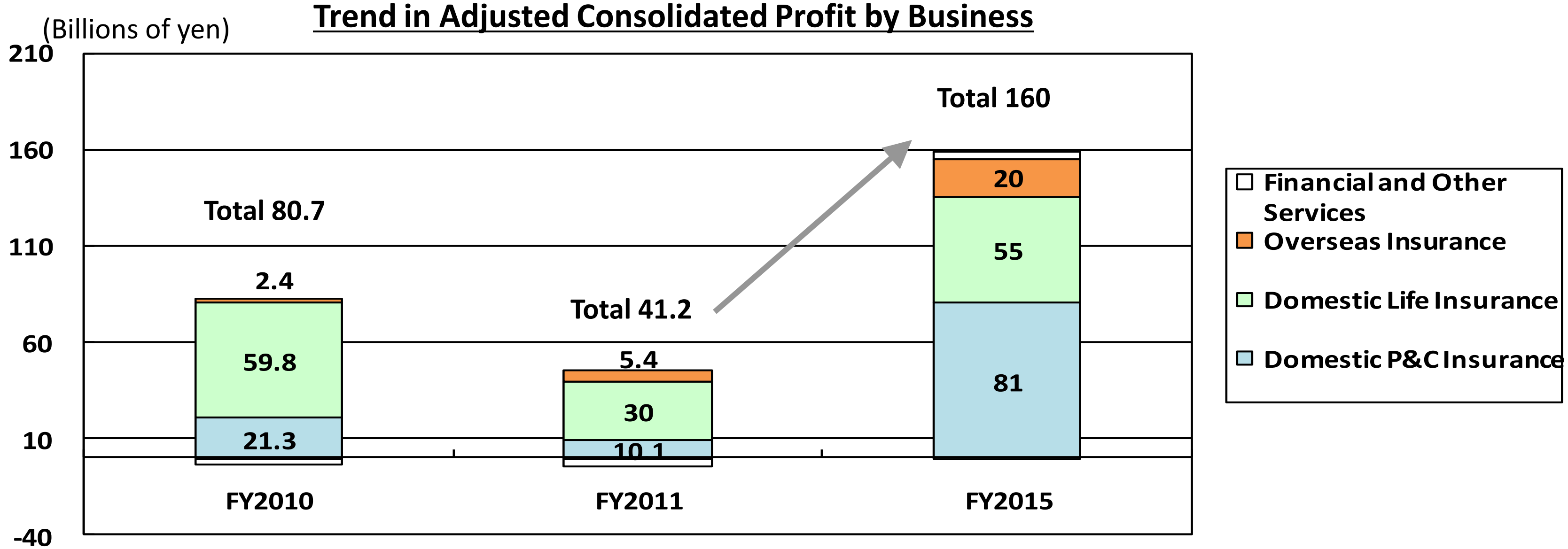
Numerical Targets (By Business)

- Minimize the extent of the downward revision of the domestic P&C insurance target by rigorously raising efficiency
- Upwardly revise targets for domestic life insurance and overseas insurance based on current trends

Adjusted Consolidated Profit Targets for Each Business (FY2015)

	Domestic P&C Insurance Business	Domestic Life Insurance Business	Overseas Insurance Business	Financial and Other Services
	¥81 billion	**¥55 billion**	**¥20 billion**	**¥4 billion**
Initial plan (FY2014)	¥90 billion	¥50 billion	¥16 billion	¥4 billion
FY2010 (Actual)	¥21.3 billion	¥59.8 billion	¥2.4 billion	-¥2.7 billion

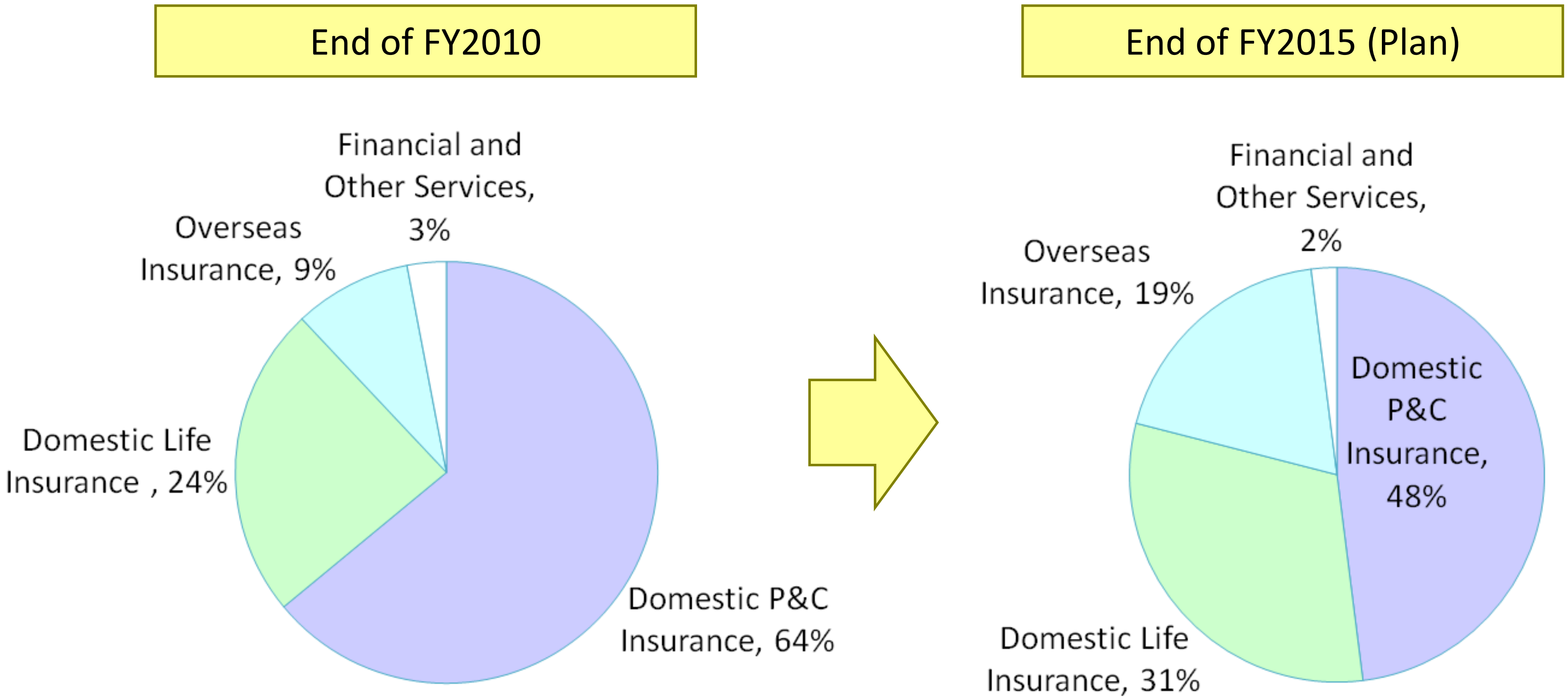
Trend in Adjusted Consolidated Profit by Business



Business Portfolio

Accelerate growth by transferring capital and personnel to the domestic life insurance and overseas insurance businesses

Trend in Capital Structure by Business



* Definition of Capital

•Domestic P&C insurance: Non-consolidated net assets + catastrophic loss reserve (after tax) + price fluctuation reserve (after tax), less investment in subsidiaries in life insurance, overseas insurance and other related fields (including future projected investments)

•Domestic life insurance: Projected Embedded Value (EV)

•Overseas insurance and financial and other services: tabulated based on investment as of the end of FY2010, adjusted for future projected profit and investments

Domestic P&C Insurance Business —Integration Synergies and Costs

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- Synergies (annual) will increase by ¥20 billion due to the benefits of new business integration model.
- One-time costs (cumulative) will increase by ¥12 billion mainly as a result of expanded and upgraded systems integration plans. (Both relative to initial management plan)

	Initial management plan (Billions of yen)	New management plan (Billions of yen)
Synergies (annual)	Total **50** • Standardization of products, administration and systems 34 • Joint use of infrastructure 3 • Sharing and advancement of expertise 13	Total **70 (+20)** • Standardization of products, administration and systems 37 • Joint use of infrastructure 3 • Sharing and advancement of expertise 8 • Benefits of new business integration model 22 => Mostly due to reduction of operating expenses by joint Head Office, co-location of sales bases and standardizing operations, streamlining claim adjustment service at claim offices, etc.
One-time costs (cumulative)	Total **60**	Total **72 (+12)** => Increase in costs by the expansion of system integration scope, etc.

Domestic P&C Insurance Business
—Expanding Systems Integration

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■ **Minimize the impact of earthquake-related delays, and strive to unify systems in all fields**
■ **Completion of all systems integration planned for April 2014**

Initial management plan

Phase-in integration of products and administration systems

(1)Products and administration systems
Integrate systems for automobile and fire insurance by October 2012 and for other insurance lines by April 2014.

(2) Other systems
—

New management plan

Integrate systems in all fields by April 2014

(1)Products and administration systems
Integrate systems for all insurance lines

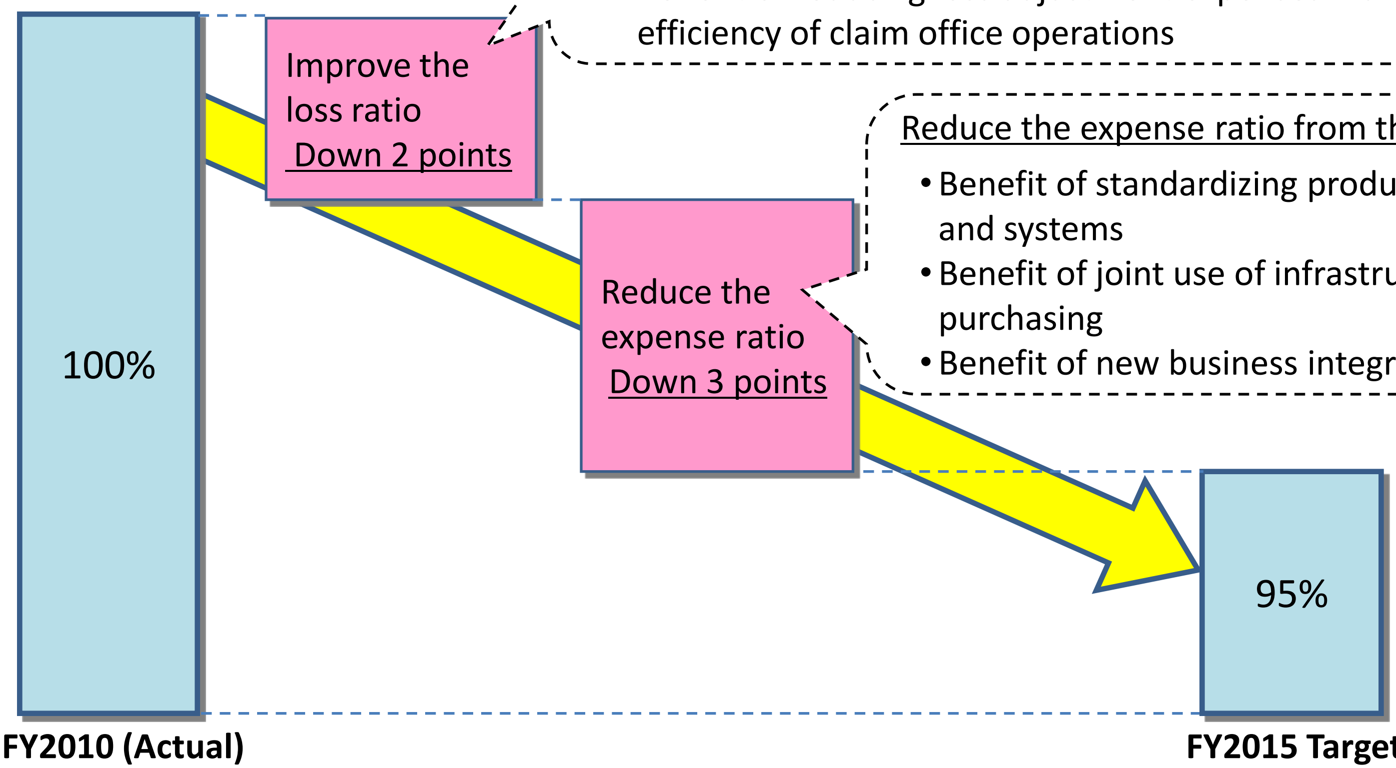
(2) Other systems
Integrate systems in all fields

Expand synergy effect by standardizing operations and function of bases

Domestic P&C Insurance Business —Improving the Combined Ratio (1)

Target a combined ratio of 95% mainly by cutting business costs that can be managed with certainty

Trend in Combined Ratio*



Improve the loss ratio from the 64% to 62% level, assuming a cumulative increase of 3.4% in premiums written

- Benefit of higher premiums through premium rate revisions
- Benefit of reducing loss adjustment expenses mainly by raising the efficiency of claim office operations

Reduce the expense ratio from the 35% to 32% level

- Benefit of standardizing products, administration and systems
- Benefit of joint use of infrastructure and joint purchasing
- Benefit of new business integration model

* The combined ratio excludes compulsory automobile liability insurance and financial guarantees.

Domestic P&C Insurance Business —Improving the Combined Ratio (2)

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Insurance Premiums

* All figures represent cumulative percentage changes.

- Voluntary automobile insurance
  - Impact of decline in premiums due to decrease in the number of insured vehicles and progression of superior discounts: -6%
  - Benefits of measures such as premium rate revisions: +7%
  - Total: +1%
  - Contribution to premium growth = 0.6%
- Fire / miscellaneous / marine insurance lines
  - Benefit of measures to increase assumed reinsurance on property: +5%
  - Benefits of measures such as premium rate revisions: +2%
  - Total: +7%
  - Contribution to premium growth = 2.8%

Cumulative premium growth: 3.4%

Insurance Payments

- Auto accident frequency is based on recent levels.
- Reflects the impact of underwriting activities and measures to optimize insurance benefits such as by ensuring delivery of damaged vehicles to designated auto repair shops
- Assumes a normal incidence of natural disasters (¥38 billion)

Loss ratio: -1pt

Cost*

- Reduction of around ¥60 billion costs

  (Equates to a benefit of around -4 points on a combined ratio basis)

<Details>

- Standardization of products, administration and systems
- Joint use of infrastructure and joint purchasing
  - (first two items together): -2.5pt
- Benefit of new business integration model: -1.5pt

Decrease in loss adjustment costs → Loss ratio: -1pt

Decrease in underwriting expenses → Underwriting expense ratio: -3pt

* Cost refers to company expenses related to the insurance business (excluding agency fees, but including loss adjustment expenses. Excludes compulsory automobile liability insurance.)

"Further Accelerate Growth"

- ■ Accelerate growth in the strong domestic life insurance business by leveraging the merger of Group life insurance companies on October 1, 2011
- ■ Achieve sustained growth in Embedded Value (EV) and contribute to accounting-basis profits by strategically allocating Group-wide business resources
- ■ Enhance the support and promotion framework for life insurance by two P&C insurance companies
- ■ Capture merger synergies by raising business efficiency

NKSJ Himawari Life Insurance's annual increase in adjusted EV is projected to reach ¥55 billion in FY2015.

Market Channel Strategy

Expand sales bases of the two P&C insurance companies for all distribution channels, in all of the NKSJ Group's personal, corporate and corporate-employee markets.

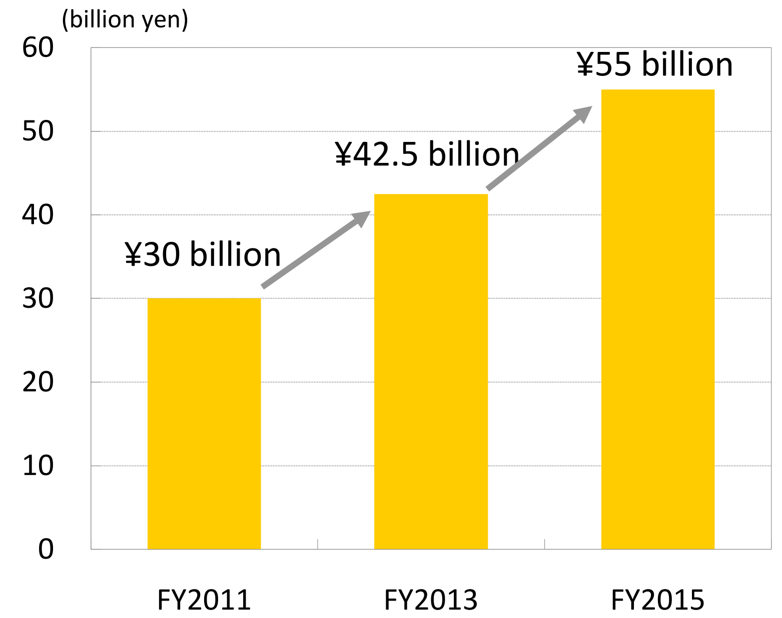
Product Strategy

Provide attractive products and services that fit the needs of the market expanded by the merger of two life insurers, utilizing the features of their products.

Merger synergies

Raise business efficiency by developing and utilizing administrative and system platforms that help to achieve sustainable growth.

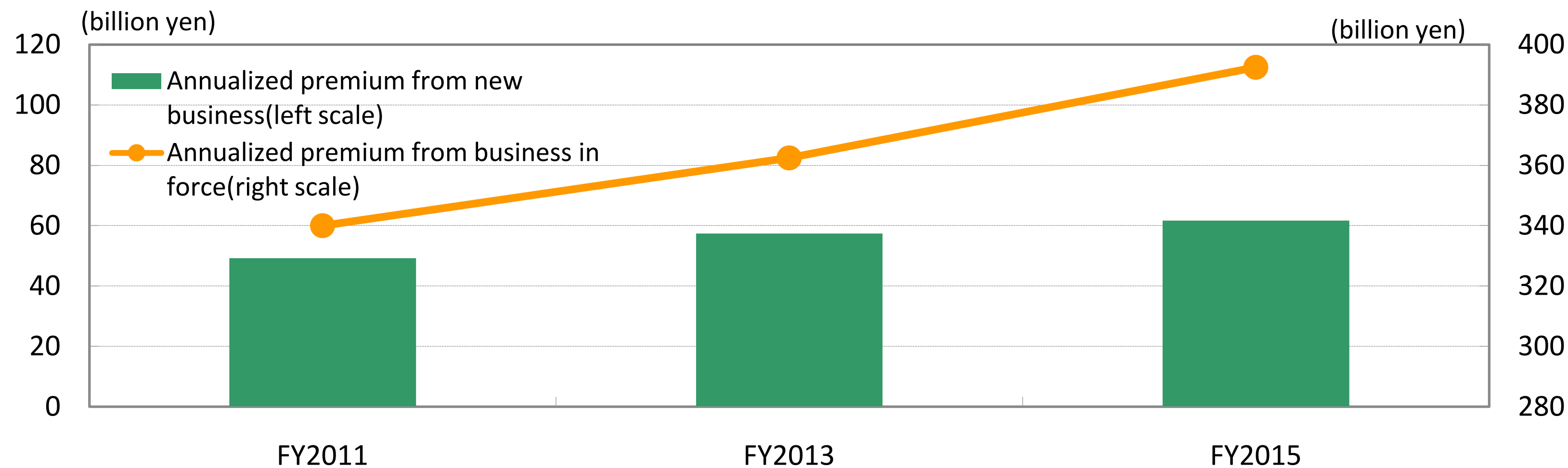
Annual Increase in Adjusted EV (Forecasts)



Domestic Life Insurance Business —Numerical Targets

Anticipate steady increases in annualized premium from new business and business in force

Numerical targets for annualized premium from new business and business in force for NKSJ Himawari Life



	FY2011	FY2013	FY2015
Annual increase in adjusted EV	30	42.5	55
Annualized premium from new business	49	57	62
Annualized premium from business in force	340	360	390

* Annualized premium figures are on an internal management basis.

Domestic Life Insurance Business —Markets, Distribution Channels

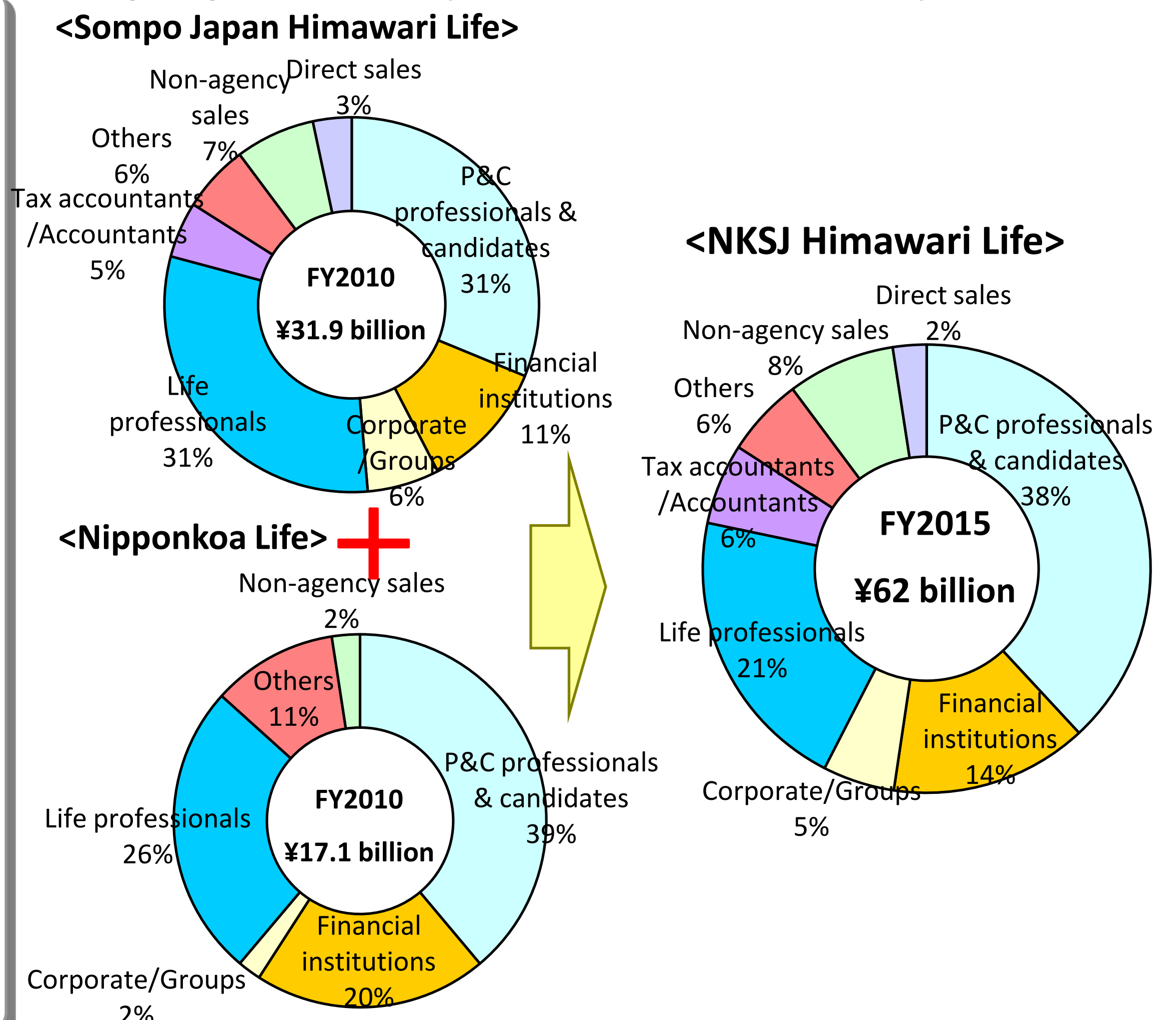
Expand sales by rigorously implementing a cross-selling model based on effective collaboration with the two P&C insurance companies

Market and Distribution Channel Strategy

Upgrade and expand the sales base taking full advantage of the characteristics and strengths of both companies' sales channels and markets.

- **P&C insurers' professionals & candidates**
  Increase cross-selling of life insurance.
- **Financial institutions and corporations**
  Expand the customer base by pitching product proposals in collaboration with the two P&C insurance companies, leveraging the strengths of the NKSJ Group.
- **Life insurance professionals, tax accountants and accountants**
  Expand sales by strengthening collaboration with experts.
- **Non-agency sales**
  Sharpen marketing and consulting capabilities.

Weighting of annualized premium from new business by sales channel



Domestic Life Insurance Business—Products

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Provide a well-balanced portfolio of attractive products that fits the needs of the market

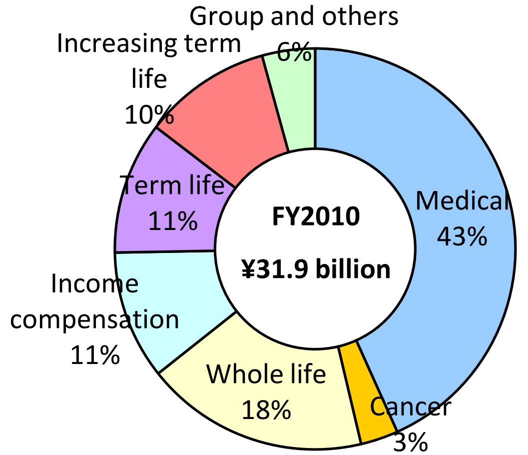
Product Strategy

Roll-out attractive products that fit the needs of the market expanded by the merger the two life insurers, utilizing the features of both companies' products.

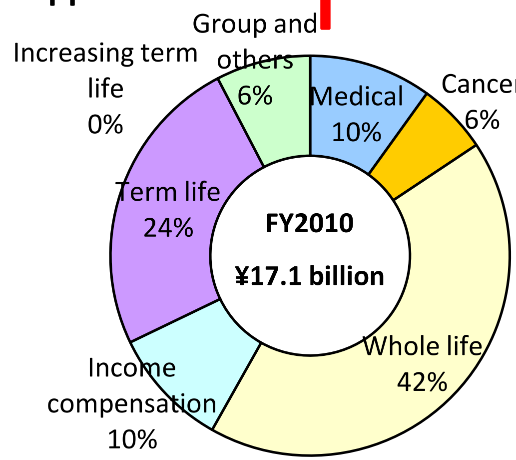
- Achieve a well-balanced product portfolio through the merger. Expand sales of a well-balanced portfolio of first-sector and third-sector insurance products, with the view to increasing the amount of business in force.
- Initially after the merger, concentrate on protection-type products, such as income compensation insurance. Subsequently, broaden the lineup to products for corporations and other offerings.

Weighting of annualized premium from new business by product line

<Sompo Japan Himawari Life>



<Nipponkoa Life>



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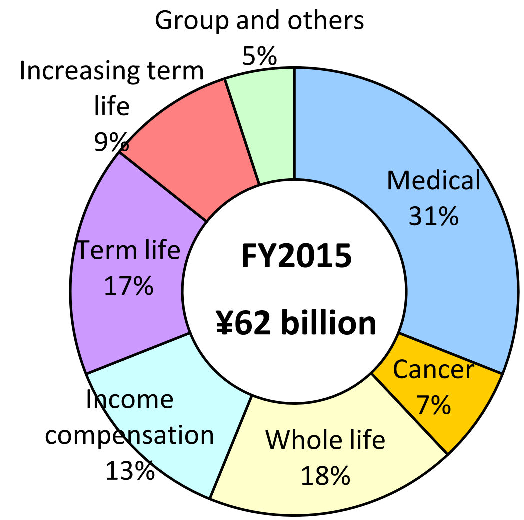

Domestic Life Insurance Business—Stable Financial Position

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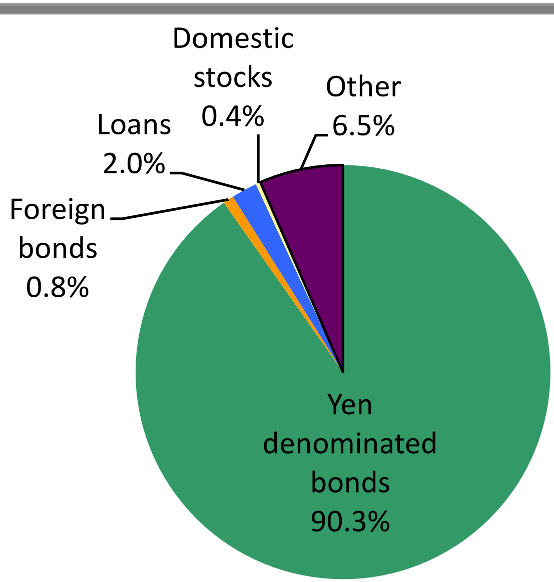
- ■ Investment based on ALM
- ■ Sensitivity of EV to interest rates and stock prices is low

Composition of general account investment asset portfolio

- The Company has a stable investment asset portfolio mostly comprised of yen-denominated bonds.



* As of the end of FY2010.

* Sum of general account investment assets of Sompo Japan Himawari Life (¥1,126.8 billion) and Nipponkoa Life (¥506.5 billion).

Sensitivity

- Interest rate and stock price fluctuations have a limited impact on MCEV.
- The duration gap between assets and liabilities is small.

<MCEV Sensitivities for Sompo Japan Himawari Life (end of FY2010)>

(Billions of yen)	Change in MCEV amount	Rate of change
100bp decrease in interest rates	-26.5	-8%
100bp increase in interest rates	9.3	3%
Fluctuations in stock prices and fair value of real estate (10% decrease)	-0.0	-0%
MCEV at the end of FY2010	345.6	

<General account duration (end of FY2010)>

	Assets	Liabilities
Sompo Japan Himawari Life	Approx. 9 years	Approx. 12 years
Nipponkoa Life	Approx. 16 years	Approx. 17 years

Overseas Insurance Business

- ■ Integrate the overseas bases of both P&C insurance companies
- ■ Unify functions for exploring overseas M&As, and for business administration systems
- ■ Actively allocate capital and human resources

Integrate overseas bases	Unify Head Office functions for exploring overseas M&As and business administration	Actively allocate capital and human resources
• Integrate basically all overseas bases of Sompo Japan and Nipponkoa by FY2013 • Make the overseas sales structure more efficient and stronger at the same time	• Newly establish a unified joint promotion division for Sompo Japan and Nipponkoa (by April 2012) • M&As and business administration will be jointly conducted by having employees of both companies perform concurrent duties.	• Execute overseas investment of ¥200 billion over three years until FY2012 • Rapidly secure human resources who can be successful overseas both internally and externally

Take Group-wide initiatives to accelerate growth in the overseas insurance business

Overseas M&A Strategy

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- **Consider opportunities in developed and emerging countries on an equal footing**
- **Enhance shareholder value based on proper investment criteria**
- **Harness collective Group-wide capabilities by unifying functions for exploring M&As**

Developed countries

- Large market scale
- Early consolidated profit contribution
- Platform for expanding the overseas insurance business

Emerging countries

- Small market scale
- High growth potential
- Profit contribution after a certain period

Execute investment according to the characteristics of developed and emerging countries

- Effective and efficient promotion of M&As by unifying functions for exploring such opportunities
- Investment criteria for enhancing ROE

Toward stable growth in Group profit

FY2015 Plan

Adjusted profit from existing businesses: **¥8.5 billion** ＋ Adjusted profit from new M&As*: **¥11.5 billion** ＝ Total adjusted profit in overseas insurance business: **¥20 billion**

* New M&As include Sompo Japan Sigorta A.S. (Turkey), which was acquired in FY2010.

Capital Management Policy

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No change in basic policy

Basic Policy	**The NKSJ Group aims to enhance corporate value by balancing three imperatives: "maintaining financial soundness," "improving capital efficiency," and "increasing shareholder returns."**

Maintaining financial soundness

- Conduct integrated risk and capital management on a Group-wide basis, with a target credit rating of AA.
- Reduce strategic-holding stocks continuously.

Improving capital efficiency

- Enhance adjusted profit by rapidly realizing integration synergies.
- Allocate part of the risk buffer generated through the reduction of strategic-holding stocks to investments in growth businesses such as overseas M&As.

Increasing shareholder returns

- Aim to return profit to shareholders primarily by paying a stable dividend supplemented by stock buybacks where warranted by capital conditions.
- Target a total payout ratio of 50%, such that total shareholder returns amount to 50% of adjusted profit (excluding any increase in life insurance embedded value).

■ Lower risk exposure by continuously reducing strategic-holding stocks.

■ Continue to expand investment in overseas businesses that have a different risk profile than domestic businesses, provided that we secure an adequate risk buffer.

Status of Risk and Capital

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■ **Maintained capital adequacy for the Group as a whole at an AA rating level, despite the impact of the earthquake disaster on capital.**

■ **Currently revising management methods in light of global regulatory developments.**

Situation as of June 30, 2011

P&C insurance: ¥1,960 billion

Life insurance: ¥390 billion

Simple sum total: ¥2,350 billion
Diversification effect: ¥270 billion

Diversification effect

Risk: ¥2,080 billion

¥850 billion surplus

Capital (pre-tax basis): ¥2,930 billion

Covered entities: All group subsidiaries
Risk: 1 year holding period, 99.95% VaR (AA equivalent confidence level)
Pre-tax basis (conforms to current domestic solvency standards)
Capital: Sum of net assets on the balance sheet, subordinated debt, catastrophe loss reserve, reserve for price fluctuations, etc.

■ Preparations are under way to introduce a capital management framework with reference to European Solvency II.

- Management on after-tax basis, group solvency management methods, etc.
- Management of proper buffer levels assuming stress scenarios, etc.

<Ratings of primary Group companies>

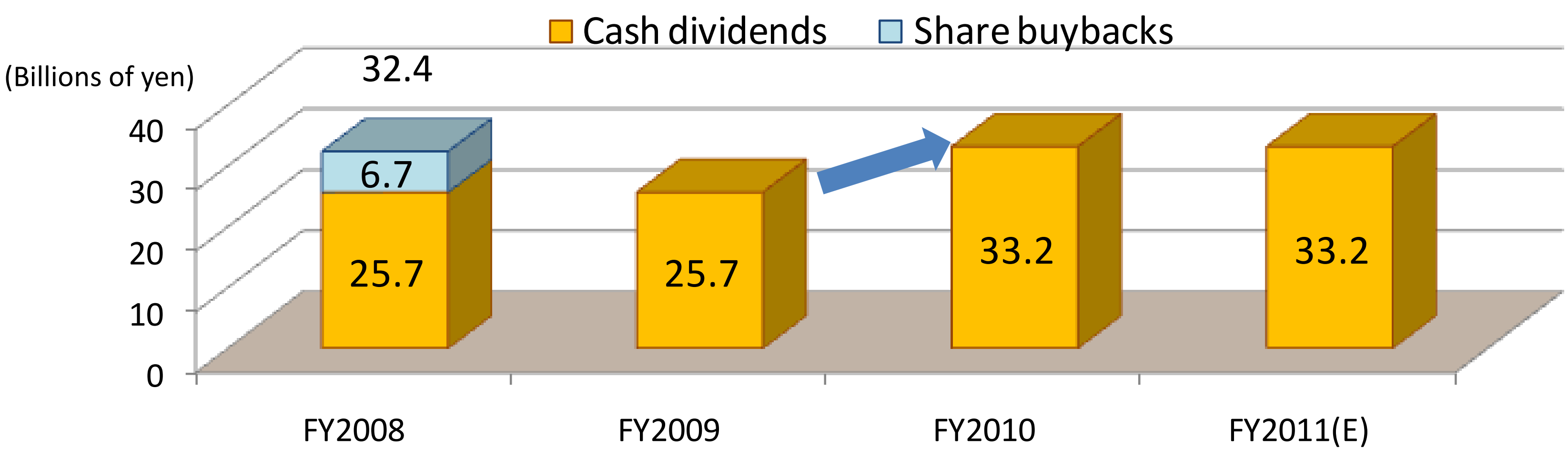
	Sompo Japan	Nipponkoa	Sompo Japan Himawari Life	Nipponkoa Life
S&P	AA-	AA-	AA-	—
Moody's	Aa3	—	Aa3	—
R&I	AA	AA	—	AA
JCR	AA+	—	—	—

* Only ratings requested by the Group are listed above.

Returns to Shareholders

Plan to maintain forecast year-end dividend of ¥80 per share

Trend in the amount of annual shareholder returns



* Figures for fiscal 2009 and prior years represent the sum of Sompo Japan and Nipponkoa.
* Cash dividends refer to dividend payments made in the subsequent fiscal year, while share buybacks refer to the amount of shares bought back during a given fiscal year.
* Excluding share buybacks not based on a resolution of the General Meeting of Shareholders or the Board of Directors, and share buybacks intended solely to confer shares upon the exercise of stock options.

Investment

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Reduce strategic-holding stocks and build an investment asset portfolio based on ALM methodology

Investment Policy

◆General accounts: Enhance the risk-return balance of the portfolio
- Continuously reduce domestic stocks
- Invest in domestic bonds based on the principle of matching the durations of bonds and long-term liabilities.
- Properly control foreign exchange risk associated with foreign currency denominated bonds issued by developed countries.
- Increase allocations to emerging stocks and bonds, as well as alternative investments

◆Savings-type accounts: investment based on ALM methodology, primarily in yen-interest assets

Strategic-holding Stocks

Target: Reduce strategic-holding stocks by ¥300 billion (MTM basis) for three years ending FY2012

<Net reduction> (Billions of yen)

	FY2010 (Actual)	FY2011 (Plan)
Sompo Japan	24.0	90
Nipponkoa	21.3	40
Total	45.3	130

* Net reduction = Fair sales value - fair purchase value

<Duration of savings-type accounts as of March 31, 2011>

	Assets	Liabilities
Sompo Japan	Approx. 4 years	Approx. 6 years
Nipponkoa	Approx. 4 years	Approx. 5 years

<Credit exposures to PIIGS countries (Group-wide total) as of July 31, 2011>

(Billons of yen)

Country	Balance	(of which, sovereign debt)
Ireland	0.6	0.0
Italy	35.1	33.5
Greece	0.0	—
Spain	4.9	3.5
Portugal	—	—

- In FY2011, full-fledged sales of strategic-holding stocks began in the second quarter.
- Build an even stronger capital structure through realized gains.

Numerical Targets for the NKSJ Group New Management Plan

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(Billions of Yen)

			FY2010(A)	FY2011(E)	FY2015(Target)
Domestic P&C insurance	Net premiums written		1,877.3	1,903.1	1,984
		Excl. CALI*	1,636.2	1,649.1	1,692
	Loss ratio		71.5%	77.6%	65.3%
		Excl. CALI/Fin. guarantee	64.5%	74.3%	62.4%
	Expense ratio		34.4%	33.8%	30.6%
		Excl. CALI	35.6%	35.4%	32.4%
	Combined ratio		105.9%	111.5%	95.8%
		Excl. CALI/Fin. guarantee	100.1%	109.7%	94.8%
	Adjusted profit		21.3	10.1	81
Domestic life insurance	Increase in adjusted EV		59.8	30.0	55
Overseas insurance	Net income as reported in financial statements		2.4	5.4	20
Financial and other services	Net income as reported in financial statements		-2.7	-4.2	4
Group total	Adjusted consolidated profit		80.7	41.2	160

Adjusted consolidated ROE	4.2%	2.2%	7% or more

* CALI: Compulsory automobile liability insurance

Definition of business, calculation of adjusted profit, and calculation of adjusted consolidated ROE

<Definition of business>

- Domestic P&C insurance: Sum of Sompo Japan and Nipponkoa (non-consolidated)
- Domestic life insurance: NKSJ Himawari Life (non-consolidated)
  (sum of Sompo Japan Himawari Life and Nipponkoa Life until the end of September 2011)
- Overseas insurance: Overseas subsidiaries of Sompo Japan and Nipponkoa
- Financial and other services: Saison Automobile and Fire, Sonpo 24, Sompo Japan DIY, financial services, healthcare, etc.

<Calculation of adjusted profit>

- Domestic P&C insurance
  Net income + provisions to catastrophic loss reserve (after tax) + provisions to price fluctuation reserve (after tax) - gains/losses on securities sales and securities impairment losses (after tax) - extraordinary items
- Domestic life insurance
  Growth in embedded value (EV) net of capital account transactions - changes in EV attributable to interest rate movements
- Overseas, financial and other services
  Net income as reported in financial statements

<Calculation of adjusted consolidated ROE>

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

*All values in the denominator are the average of the fiscal-year opening and closing balances.

NKSJ HOLDINGS

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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