



December, 2018
Sompo Holdings, Inc.

Increase in Ownership of Universal Sompo General Insurance Company Limited

Sompo Holdings, Inc. (Group CEO & President: Kengo Sakurada; hereinafter “Sompo Holdings”), hereby announces that Sompo Japan Nipponkoa Insurance Inc. (President: Keiji Nishizawa; hereinafter “Sompo Japan Nipponkoa”), a wholly owned subsidiary of Sompo Holdings, has additionally acquired shares of Universal Sompo General Insurance Company Limited (hereinafter “USGI”), an Indian property and casualty insurer, and raised its ownership to 34.6%, thereby became the single largest shareholder of USGI.

1. Outline of increase in ownership

Sompo Holdings entered the Indian market via an investment in USGI in 2007, and seeing further growth possibilities, adopted a policy of further expanding business with retail business set as the priority field.

Because of relaxation of regulations on foreign investment in Indian insurance companies in March 2015, Sompo Holdings considered increasing its ownership in USGI. Sompo Japan Nipponkoa recently acquired 6.2% of the shares held by Karnataka Bank Limited, thereby raised its ownership to 34.6% from 28.4% and became the single largest shareholder.

2. Background

Because of continual economic growth, the Indian property and casualty insurance market has been expanding about 17% on average annually since 2007 and will reach about 2 trillion yen. Since being set up in 2007 as a P&C insurer jointly owned by two Indian Government controlled banks, one Indian private-sector bank and an Indian conglomerate, USGI has captured the continually economically growing Indian market and expanded business dramatically, with its gross direct premium increasing about 44% annually in the most recent 5 years due to a strong sales network developed nationwide by the joint venture partners, a strong customer base, and provision of P&C insurance business know-how by Sompo Holdings. Further, the ROE of USGI has steadily increased and marked 16% annually in the most recent 5 years.

As part of Sompo Holdings’ direct commitment to USGI, it has also appointed an Executive Officer to the position of Deputy CEO of USGI. Sompo Holdings remains committed to its India business and also proposes to add further value to USGI by providing digital as well as commercial business underwriting know-how and leveraging Sompo International’s expertise such as crop insurance.

3. Outline of USGI

(1) Name of firm	Universal Sompo General Insurance Company Limited
(2) Address	Unit No 401, 4th Floor, Sangam Complex, 127, Andheri Kurla Road, Andheri (E), Mumbai- 400059, Maharashtra, India
(3) Representative	Rajiv Kumar
(4) Business description	Property and casualty insurance business
(5) Gross direct premium	About 23.1 billion rupees (about 37.9 billion yen)* ¹ (Fiscal year ended March 2018)

(6) Net income	About 2.97 billion rupees (about 4.9 billion yen)* ¹ (Fiscal year ended March 2018)
(7) Paid-in capital* ²	3.68 billion rupees (about 6.0 billion yen)* ¹
(8) Year of establishment	2007
(9) Number of bases* ³	111
(10) Number of employees* ³	1,576
(11) Ownership composition* ²	Sompo Japan Nipponkoa: approx. 28% Allahabad Bank: approx. 29% Indian Overseas Bank: approx. 18% Karnataka Bank: approx. 14% Dabur Investment Corp.: approx. 11%

*¹ Conversion at an exchange rate of 1 rupee = 1.64 yen

*² As of 1 December, 2018

*³ As of the end of March, 2018