

Revisions to the Consolidated Solvency Margin Ratio

Sompo Holdings, Inc. has found errors in the consolidated solvency margin ratio (Sompo Holdings consolidated) it had previously disclosed.

Sompo Holdings wishes to extend its deepest apologies to all parties involved for the errors. It hereby announces the details of revisions to the consolidated solvency margin ratio.

1. Details of Revisions

The details of revisions to the consolidated solvency margin ratio (Sompo Holdings consolidated) are as follows.

Additional details are provided in the attachment.

(%)

	As of March 31, 2023	As of June 30, 2023	As of September 30, 2023
Before revision	589.7	677.2	621.1
After revision	584.0	671.8	622.9
Difference	-5.7 pt	-5.4 pt	+1.8 pt

2. Published Materials to Be Revised

Sompo Holdings will revise the following published materials.

Published material	Applicable pages
Integrated Annual Report 2023 (Japanese)	P128, P138
Integrated Annual Report 2023 (English)	P128, P213, P214
13th Annual Securities Report (Japanese only)	P53, P58

(For your reference)

The revised consolidated solvency margin ratio (Sompo Holdings consolidated) is disclosed on Sompo Holdings' website as follows.

Solvency Margin Ratio of Sompo Holdings, Inc. on a Consolidated Basis (Japanese)

URL: <https://www.sompo-hd.com/ir/data/solvency/>

Solvency Margin Ratio of Sompo Holdings, Inc. on a Consolidated Basis (English)

URL: <https://www.sompo-hd.com/en/ir/data/solvency/>

[Attachment] Consolidated Solvency Margin Ratio (Sompo Holdings Consolidated)

(Millions of yen)

	<wrong>	<right>
	As of March 31, 2023	As of March 31, 2023
(A) Total Consolidated Solvency Margin	3,284,055	3,252,617
Capital and funds, etc.	931,664	900,226
Reserve for price fluctuation	110,858	110,858
Contingency reserve	37,938	37,938
Catastrophic loss reserve	545,598	545,598
General allowance for possible credit losses	8,150	8,150
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	752,515	752,515
Unrealized gains and losses on land	112,041	112,041
Total of unrecognized actual difference and unrecognized prior service costs (before tax effect deductions)	28,591	28,591
Surplus such as premium fund	145,353	145,353
Subordinated debt, etc.	427,000	427,000
Excess amount of surplus such as premium fund and subordinated debt, etc. which are excluded from total solvency margin	-	-
Total solvency margin related to small amount and short term insurance companies	25	25
Deductions	54,970	54,970
Others	239,288	239,288
(B) Total Consolidated Risks		
$\sqrt{(\sqrt{R_1^2 + R_2^2} + R_3 + R_4)^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$	1,113,737	1,113,737
Underwriting risk for property and casualty insurance business (R ₁)	413,736	413,736
Underwriting risk for life insurance business (R ₂)	14,810	14,810
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R ₃)	13,089	13,089
Underwriting risk related to small amount and short term insurance companies (R ₄)	97	97
Guaranteed interest rate risk (R ₅)	20,729	20,729
Guaranteed minimum benefit risk for life insurance policies (R ₆)	401	401
Investment risk (R ₇)	632,507	632,507
Business management risk (R ₈)	28,570	28,570
Major catastrophe risk for property and casualty insurance policies (R ₉)	304,310	304,310
(C) Consolidated Solvency Margin Ratio [(A) / {(B) × 1/2}] × 100	589.7%	584.0%

(Millions of yen)

	<wrong>	<right>
	As of June 30, 2023	As of June 30, 2023
(A) Total Consolidated Solvency Margin	3,869,582	3,838,487
Capital and funds, etc.	965,711	934,616
Reserve for price fluctuation	112,254	112,254
Contingency reserve	38,314	38,314
Catastrophic loss reserve	553,118	553,118
General allowance for possible credit losses	208	208
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	1,288,104	1,288,104
Unrealized gains and losses on land	111,925	111,925
Total of unrecognized actual difference and unrecognized prior service costs (before tax effect deductions)	28,027	28,027
Surplus such as premium fund	143,588	143,588
Subordinated debt, etc.	427,000	427,000
Excess amount of surplus such as premium fund and subordinated debt, etc. which are excluded from total solvency margin	—	—
Total solvency margin related to small amount and short term insurance companies	31	31
Deductions	56,752	56,752
Others	258,050	258,050
(B) Total Consolidated Risks	1,142,679	1,142,679
$\sqrt{(\sqrt{R_1^2 + R_2^2} + R_3 + R_4)^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$		
Underwriting risk for property and casualty insurance business (R ₁)	415,285	415,285
Underwriting risk for life insurance business (R ₂)	14,619	14,619
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R ₃)	13,286	13,286
Underwriting risk related to small amount and short term insurance companies (R ₄)	108	108
Guaranteed interest rate risk (R ₅)	20,316	20,316
Guaranteed minimum benefit risk for life insurance policies (R ₆)	402	402
Investment risk (R ₇)	664,061	664,061
Business management risk (R ₈)	29,246	29,246
Major catastrophe risk for property and casualty insurance policies (R ₉)	305,402	305,402
(C) Consolidated Solvency Margin Ratio [(A) / {(B) × 1/2}] × 100	677.2%	671.8%

(Millions of yen)

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	As of September 30, 2023	As of September 30, 2023
(A) Total Consolidated Solvency Margin	3,755,913	3,766,608
Capital and funds, etc.	884,716	895,415
Reserve for price fluctuation	113,648	113,648
Contingency reserve	38,849	38,849
Catastrophic loss reserve	532,473	532,473
General allowance for possible credit losses	200	200
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	1,272,719	1,272,714
Unrealized gains and losses on land	117,508	117,508
Total of unrecognized actual difference and unrecognized prior service costs (before tax effect deductions)	27,840	27,840
Surplus such as premium fund	142,394	142,394
Subordinated debt, etc.	427,000	427,000
Excess amount of surplus such as premium fund and subordinated debt, etc. which are excluded from total solvency margin	—	—
Total solvency margin related to small amount and short term insurance companies	35	35
Deductions	53,482	53,482
Others	252,008	252,008
(B) Total Consolidated Risks	1,209,292	1,209,292
$\sqrt{(\sqrt{R_1^2 + R_2^2 + R_3 + R_4})^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$		
Underwriting risk for property and casualty insurance business (R ₁)	435,238	435,238
Underwriting risk for life insurance business (R ₂)	14,392	14,392
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R ₃)	13,645	13,645
Underwriting risk related to small amount and short term insurance companies (R ₄)	108	108
Guaranteed interest rate risk (R ₅)	20,382	20,382
Guaranteed minimum benefit risk for life insurance policies (R ₆)	403	403
Investment risk (R ₇)	721,852	721,852
Business management risk (R ₈)	30,910	30,910
Major catastrophe risk for property and casualty insurance policies (R ₉)	310,441	310,441
(C) Consolidated Solvency Margin Ratio [(A)/{(B)×1/2}]×100	621.1%	622.9%