



**SOMPO
HOLDINGS**

Innovation for Wellbeing

Business Strategy

May 27, 2015

Sompo Japan Nipponkoa Holdings, Inc.

- Adjusted consolidated profit will exceed the target in FY2015, the final year of current management plan. Adjusted consolidated ROE will also achieve the target (over 7%), and will be 7.6% in FY2015.
- We aim to accelerate initiatives to increase profits and improve capital efficiency (ROE) further.

Domestic P&C

- We have improved the existing issue of profitability of automobile insurance, and also reaped benefit of the cost reduction through the merger.
- Adjusted combined ratio improved faster than planned (to be 92.0% in FY2015).
- Sales of direct automobile insurance has continued to be steady.

Domestic Life

- Sales of medical insurance products is favorable.
- Himawari Life aims sustainable growth by customer-oriented product development and channel strategy.

Overseas Insurance

- Overseas insurance business has already achieved the target of management plan.
- We aim to increase our earnings further by striking balance between investments in emerging markets and developed markets.

ERM & Capital Policy

- With Strategic Risk Management (ERM) becoming well utilized, accelerated initiatives to improve ROE.
- Steadily reduced strategic-holding stocks exposure by ¥490 billion in 3 years (FY2012-2014).
- Decided to raise dividend per share, and conduct share buyback of ¥17 billion.

Progress of SOMPO Holdings

- ◆ Since the establishment of the holding company in April 2010, strived to capture early integration synergies, and expand growth fields.
- ◆ Completed the merger of P&C insurance companies in September 2014, and moved to a next stage of accelerating the group's growth further.

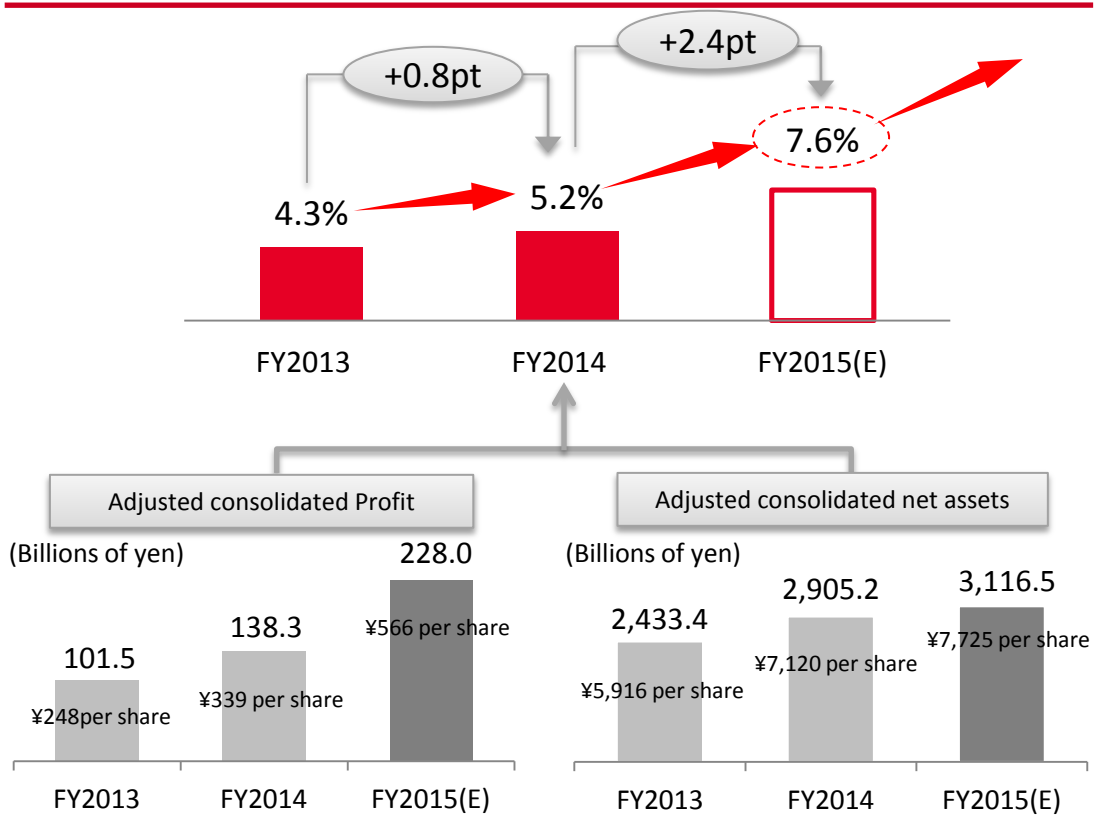
	Domestic P&C	Domestic Life	Overseas Insurance (M&A)	Financial and Other Services
	April 2010 Business integration of Sompoo Japan and Nipponkoa, SOMPO Holdings* ¹ established			
FY2010			May 2010 Tenet (Singapore) Nov. 2010 Fiba Sigorta (Turkey)	
FY2011			Jun. 2011 Berjaya (Malaysia)	
FY2012	Mar. 2012 Announced the merger of Sompoo Japan and Nipponkoa	Oct. 2011 Merged Sompoo Japan Himawari Life and Nipponkoa Life		Apr. 2012 Established Prime Assistance Sep. 2012 Invested in Cedar
FY2013			Jun. 2013 Maritima (Brazil)	Nov. 2013 Alliance with IJJ
FY2014	Sep. 2014 Completed the merger Sompoo Japan Nipponkoa formed	Sep. 2014 Renamed as Sompoo Japan Nipponkoa Himawari Life	May 2014 Canopus (UK) Mar. 2015 SCOR (France) *announced	Jul. 2014 Trial project with SAIS Aug. 2014 Alliance with ALSOK Feb. 2015 Invested in Fresh House Mar. 2015 Alliance with Message

※1 Changed the name from NKSJ Holdings to Sompoo Japan Nipponkoa Holdings (abbreviation: SOMPO Holdings) in September 2014.

Group's Key Indicator

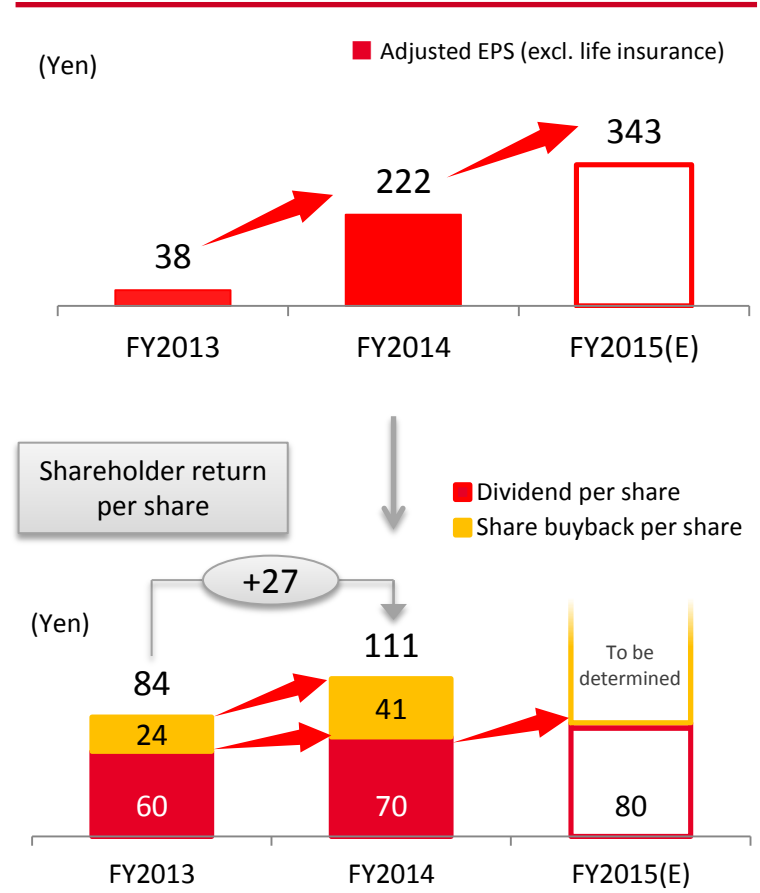
- ◆ Adjusted consolidated ROE, an important indicator steadily improved by earnings expansion, and we aim to improve it further.
- ◆ Shareholder return per share is on increasing trend as adjusted EPS (excluding life insurance) expands (to increase dividend per share in 2 consecutive years).

Adjusted consolidated ROE



* See page 4 about the definition of adjusted consolidated profit and adjusted consolidated ROE.
 * See page 59 about adjusted consolidated net assets.

Adjusted EPS and shareholder return per share



(Reference) Numerical Management Targets

(Billions of yen)		FY2012	FY2013	FY2014	FY2015	
		(Actual)	(Actual)	(Actual)	(Forecast)	(Plan)
Domestic P&C insurance* ¹	Adjusted profit	-8.9	6.5	69.9	116.7	70.0 -80.0
Sompo Japan Nipponkoa* ²	Net premiums written	1,966.2	2,082.1	2,181.3	2,220.6	2,040.0
	(Exc. CALI)	1,691.7	1,783.9	1,876.0	1,915.8	1,740.0
	Loss ratio	72.0%	65.7%	65.6%	62.5%	65.6%
	(Exc. CALI/Fin. Guarantee)	68.8%	62.7%	63.2%	59.6%	62.8%
	Expense ratio	33.4%	32.2%	31.8%	31.4%	30.6%
	(Exc. CALI)	35.2%	34.2%	33.6%	33.1%	32.6%
	Combined ratio	105.4%	97.9%	97.4%	93.8%	96.2%
	(Exc. CALI/Fin. Guarantee)	104.1%	96.9%	96.8%	92.7%	95.3%
Domestic life insurance	Growth in embedded value (EV)	107.8	85.7	47.4	90.0	100.0 - 110.0
Overseas insurance	Net income	11.8	7.8	18.6	19.2	14.0 - 20.0
Financial & other services	Net income	0.7	1.5	2.3	2.4	2.0 - 3.0
Group total	Adjusted consolidated profit	111.6	101.5	138.3	228.0	180.0 - 210.0
Adjusted consolidated ROE* ³		5.4%	4.3%	5.2%	7.6%	Over 7%

Definition of adjusted profit

Domestic P&C insurance*¹

Net income
+ 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

Growth in embedded value (EV)
- Capital transactions such as equity issuance
- Changes in EV attributable to fluctuation of interest rates, etc.

Overseas insurance

Net income

Financial and other services

Net income

*1 Total of Sompo Japan Nipponkoa, Sonpo 24, and Saison Automobile & Fire (non-consolidated).

*2 The figures prior to September 1, 2014 are the sum of Sompo Japan and Nipponkoa. (The same shall apply hereafter.)

*3 Adjusted consolidated ROE = Adjusted consolidated profit / [Consolidated net assets (excluding life insurance subsidiary's net assets) + Catastrophic loss reserve (after tax) + Reserve for price fluctuation (after tax) + Life insurance subsidiary's EV]

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

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, etc.

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5. ERM & Capital policy

P.56

Prospect of the Final Year of Mid-Term Management Plan

◆ Mid-term management plan steadily progressed, and both adjusted consolidated profit and adjusted consolidated ROE are expected to be achieved.

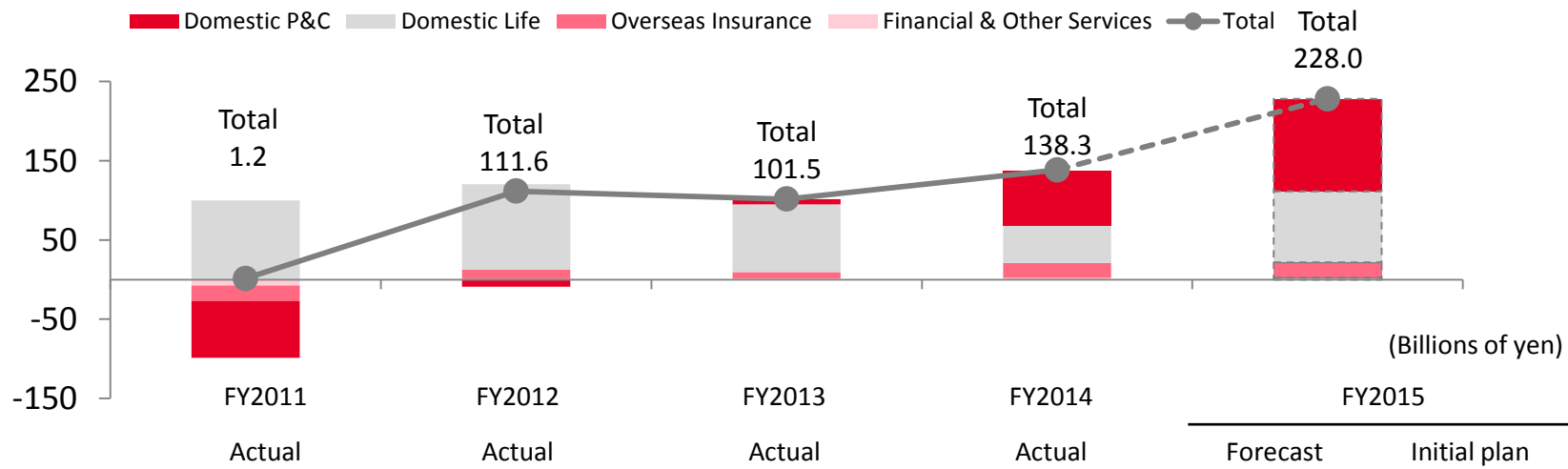
Initial plan of current mid-term management plan		Target (Announced in Nov. 2012)	FY2015 Forecasts	Prospect of the final year of mid-term management plan
Group	Improve profitability of domestic P&C, and allocate resources to growth fields.	Adjusted profit ¥180 – 210 bn. (Adjusted ROE) Over 7%	Adjusted profit ¥228.0 bn. (Adjusted ROE) 7.6%	Expect to achieve both adjusted consolidated profit and adjusted consolidated ROE.
Domestic P&C	Efficiency & Profitability • Synergies through the merger • Improvement of profitability of automobile insurance	¥70 – 80 bn.	¥116.7 bn.	Expect to significantly exceed the target. • Achieved improved efficiency through the merger. • Improved combined ratio of voluntary automobile insurance drastically.
Domestic life	Growth & MCEV expansion • Focus on protection-type products • Utilize P&C sales channel	¥100 – 110 bn.	¥90.0 bn.	FY2015 forecast associated with low interest rate, etc. • Sales of medical insurance products launched in May 2014 was favorable. • Policies in force steadily increased.
Overseas insurance	Earnings growth • Clarify target areas, etc., and increase profits by selective investments	¥14 – 20 bn.	¥19.2 bn.	Expect to contribute around upper limit of the target. • Both organic growth and M&A steadily contributed.
Financial & other services	Actively develop new products and services	¥2 – 3 bn.	¥2.4 bn.	Expect to achieve the target. • Actively developed services with the key words of security, health, and wellbeing.

Progress of Mid-Term Management Plan

- ◆ Adjusted consolidated profit is forecast to be ¥228 billion in FY2015 due to faster improvement of domestic P&C insurance business than planned.

Progress of mid-term management plan

(Billions of yen)



	FY2011	FY2012	FY2013	FY2014	FY2015	Initial plan
	Actual	Actual	Actual	Actual	Forecast	
Domestic P&C	-71.3	-8.9	6.5	69.9	116.7	70.0 – 80.0
Domestic Life	100.0	107.8	85.7	47.4	90.0	100.0 – 110.0
Overseas Insurance	-19.7	11.8	7.8	18.6	19.2	14.0 – 20.0
Financial & Other Services	-7.6	0.7	1.5	2.3	2.4	2.0 – 3.0
Total (adjusted consolidated profit)	1.2	111.6	101.5	138.3	228.0	180.0 – 210.0
Adjusted consolidated ROE	0.1%	5.4%	4.3%	5.2%	7.6%	Over 7%

* Special factors, such as extraordinary losses related to the merger and impact of corporate income tax reduction, are excluded to calculate adjusted profit. The amounts after tax are ¥17.6 billion in FY2012, ¥26.7 billion in FY2013, ¥80.0 billion in FY2014. (No special factor is expected in FY2015.)

* Saison Automobile & Fire and Sonpo 24 were classified as financial and other services in FY2011.

* Definition of each business, adjusted profit and adjusted ROE are shown on page 4.

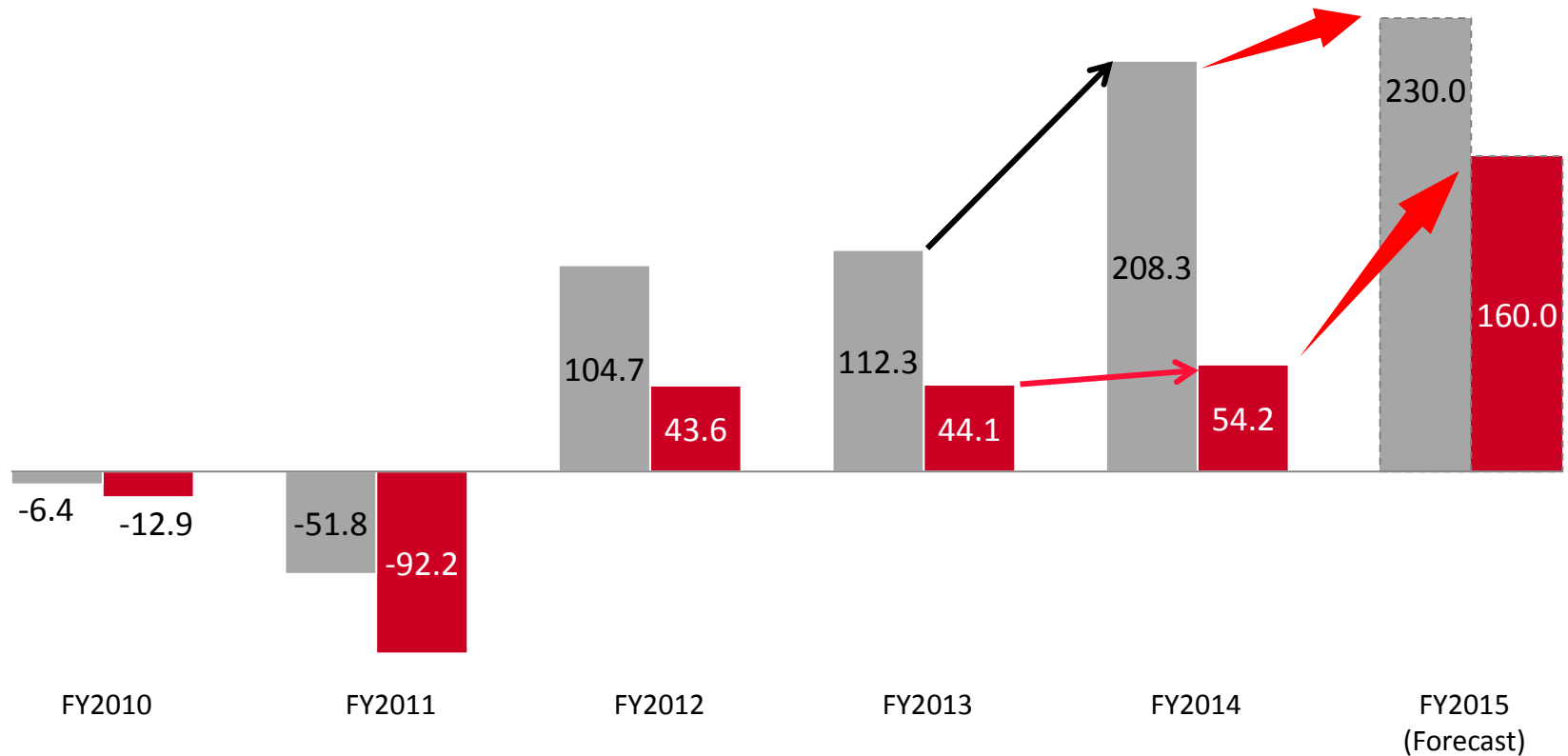
Consolidated Performance – J-GAAP Base

◆ Ordinary profit keeps on increasing trend. Net income is forecast to improve significantly, and amount to ¥160 billion in FY2015.

Trends of ordinary profit and net income

(Billions of yen)

■ Ordinary profit ■ Net income



Summary of FY2014 Results

- Ordinary profit almost doubled to ¥208.3 billion (+¥95.9 billion) due to improvement of domestic P&C profitability, etc. Net income improved by ¥10.1 billion to ¥54.2 billion, covering the one-time merger cost (-¥79.5 billion), etc.
- Ordinary profit is forecast to be ¥230.0 billion (+¥21.6 billion), and net income is forecast to be ¥160.0 billion (+¥105.7 billion) in FY2015.

- Profitability of domestic P&C continued to improve, and core underwriting profit improved by ¥43.8 billion year on year.
- Combined ratio of automobile insurance improved to 94.8% in FY2014, and that in FY2015 is expected to improve further to 92.3%.
- The merger was completed, and one-time merger cost recorded as extraordinary losses in FY2014 was ¥79.5 billion, which is in line with the fiscal year plan of about ¥80.0 billion.
- In domestic life, medical insurance sold steadily. Both ordinary profit and net income improved.
- Overseas insurance steadily progressed. The bottom-line has already achieved the numerical target of management plan (¥14-20 billion).
- We steadily reduced exposure of strategic-holding stocks by ¥86.0 billion, and also plan to reduce it constantly in FY2015.
- We decided to increase shareholder return (cash dividend and share buyback).

Overview of FY2014 Results – Consolidated basis

- ◆ Top-line steadily increased. Ordinary profit significantly improved to ¥208.3 billion (+¥95.9 billion).
- ◆ Net income was ¥54.2 billion, covering one-time merger cost (-¥79.5 billion) and impact of corporate income tax reduction (-¥18.1 billion).

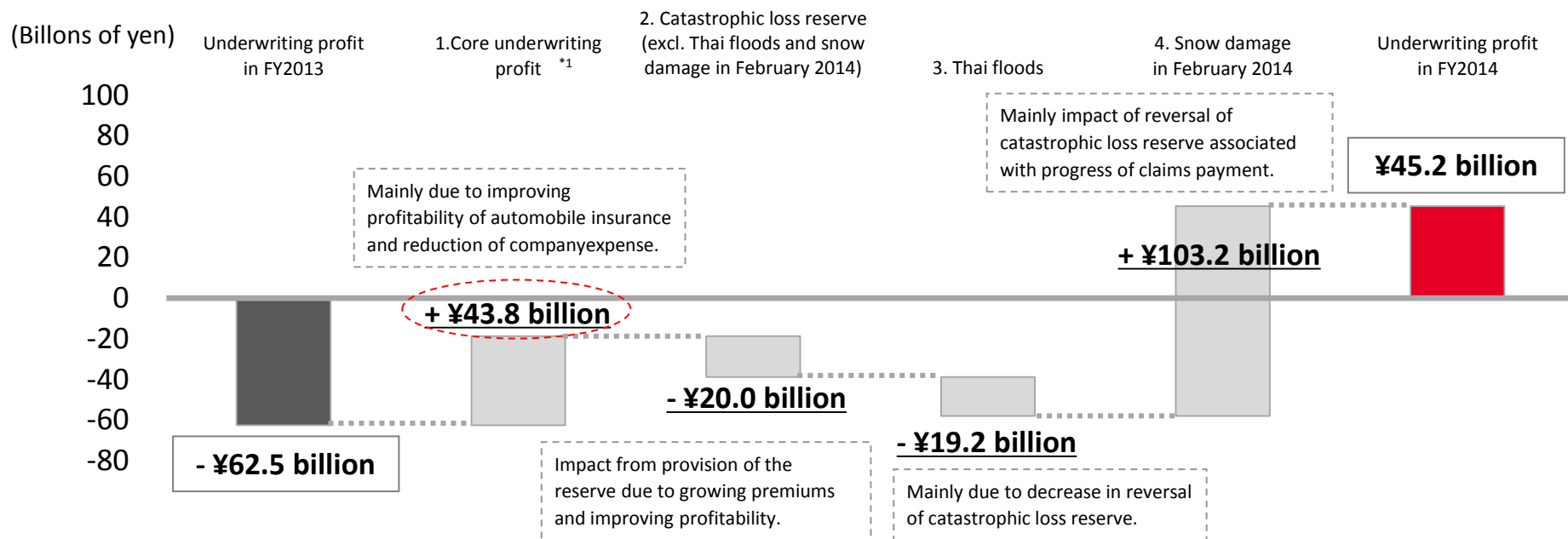
(Billions of yen)	FY2013	FY2014	Change	FY2015 (Forecasts)
Ordinary income (consolidated basis)	3,008.3	3,282.3	+274.0 (+9.1%)	-
Net premiums written (P&C)	2,268.9	2,508.0	+239.0 (+10.5%)	2,607.0
Life insurance premiums	277.2	277.2	-0.0 (-0.0%)	277.0
Ordinary profit (consolidated basis)	112.3	208.3	+95.9	230.0
Sompo Japan Nipponkoa	117.7	195.1	+77.3	186.0
Himawari Life	13.7	18.3	+4.5	15.9
Overseas insurance subsidiaries	10.9	21.9	+11.0	25.5
Consolidated adjustment*1/Others	-30.1	-27.1	+2.9	2.5
Net income (consolidated basis)	44.1	54.2	+10.1	160.0
Sompo Japan Nipponkoa	49.5	45.0	-4.4	128.0
Himawari Life	8.0	9.7	+1.6	10.2
Overseas insurance subsidiaries	11.5	19.4	+7.8	19.5
Consolidated adjustment*1/Others	-25.0	-19.9	+5.0	2.1
(Reference) Adjusted profit (by business)	101.5	138.3	+36.7	228.0
Domestic P&C insurance	6.5	69.9	+63.4	116.7
Domestic life insurance	85.7	47.4	-38.3	90.0
Overseas insurance	7.8	18.6	+10.8	19.2
Financial & other services	1.5	2.3	+0.8	2.4

*1 "Purchase method" accounting was adopted upon the establishment of Sompo Japan Nipponkoa Holdings (the former NKSJ Holdings). In the consolidated accounts of the holdings, assets and liabilities of the former Nipponkoa and some group companies were acquired and carried on the balance sheet at fair value at the time of business integration. (This gave rise to a difference between the carrying amount in the non-consolidated accounts of Sompo Japan Nipponkoa and some group companies', and the carrying amount in consolidated accounts of the holdings.) Therefore, realized gains/losses, etc. of Sompo Japan Nipponkoa must be adjusted, and this adjustment is included in the above "consolidated adjustment."

Main points of Consolidated Results for FY2014 – (1) Underwriting profit

- ◆ Underwriting profit improved by ¥107.8 billion to ¥45.2 billion mainly due to improving profitability of automobile insurance and the reversal of catastrophic loss reserve associated with progress of claims payment for snow damage in February 2014.

Changing factors of underwriting profit (Sompo Japan Nipponkoa)



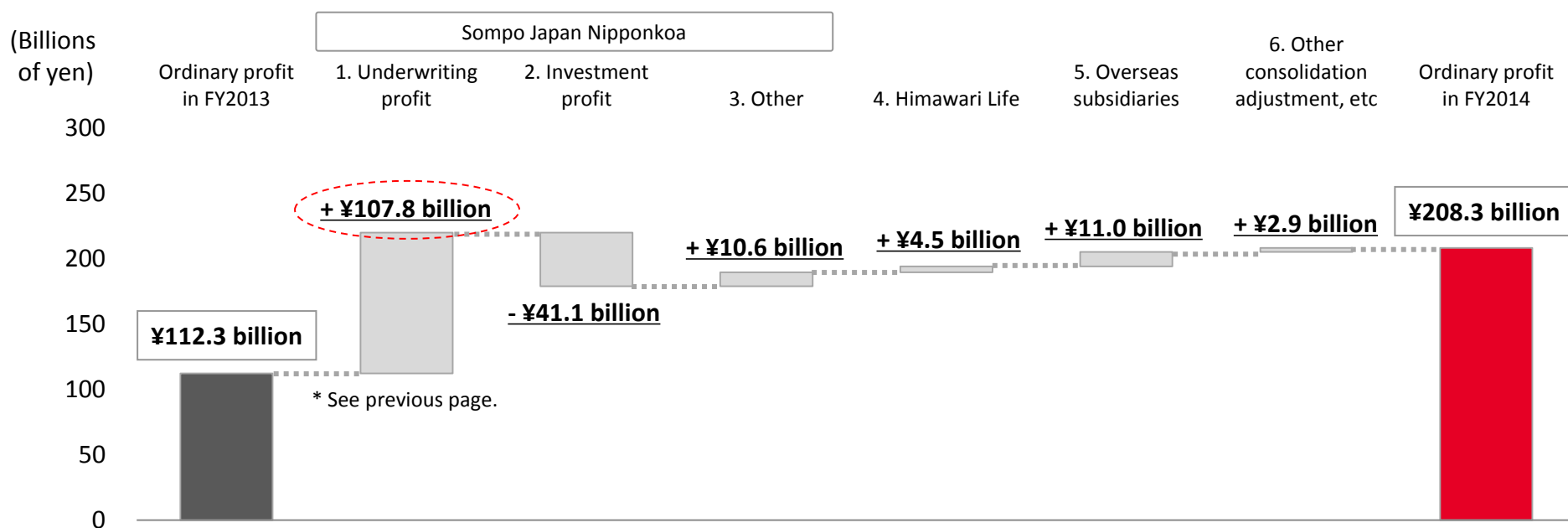
	1. Core underwriting profit	2. Catastrophic loss reserve	3. Thai floods	4. Snow damage in February 2014
FY2013 Actual	¥14.4 billion	- ¥33.6 billion	¥21.3 billion	- ¥64.6 billion
FY2014 Actual	¥58.2 billion	- ¥53.6 billion	¥2.1 billion	¥38.5 billion

*1 Core underwriting profit is underwriting profit less the impact related to catastrophic loss reserve, the Thai floods and snow damage in February 2014.

Main points of Consolidated Results for FY2014 – (2) Ordinary profit

- ◆ Consolidated ordinary profit doubled to ¥208.3 billion (+¥95.9 billion) mainly due to improvement of underwriting profit.

Changing factors of consolidated ordinary profit

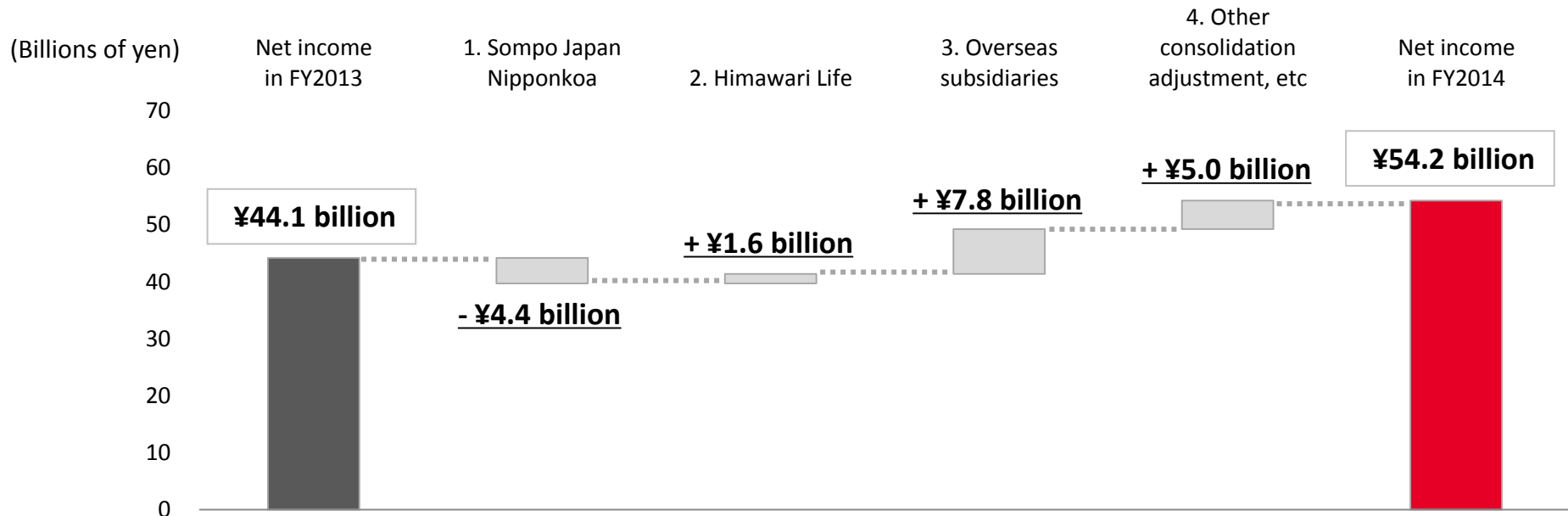


	1. Underwriting profit	2. Investment profit	3. Other	4. Himawari Life	5. Overseas subsidiaries	6. Other consolidation adjustment, etc
FY2013 Actual	- ¥62.5 billion	¥192.7 billion	- ¥12.3 billion	¥13.7 billion	¥10.9 billion	- ¥30.1 billion
FY2014 Actual	¥45.2 billion	¥151.5 billion	- ¥1.6 billion	¥18.3 billion	¥21.9 billion	- ¥27.1 billion

Main points of Consolidated Results for FY2014 – (3) Net income

- ◆ Consolidated net income improved by ¥10.1 billion to ¥54.2 billion, covering one-time merger cost and impact of corporate income tax reduction.

Changing factors of consolidated net income



	1. Somo Japan Nipponkoa	2. Himawari Life	3. Overseas subsidiaries	4. Other consolidation adjustment, etc
FY2013 Actual	¥49.5 billion	¥8.0 billion	¥11.5 billion	- ¥25.0 billion
FY2014 Actual	¥45.0 billion	¥9.7 billion	¥19.4 billion	- ¥19.9 billion

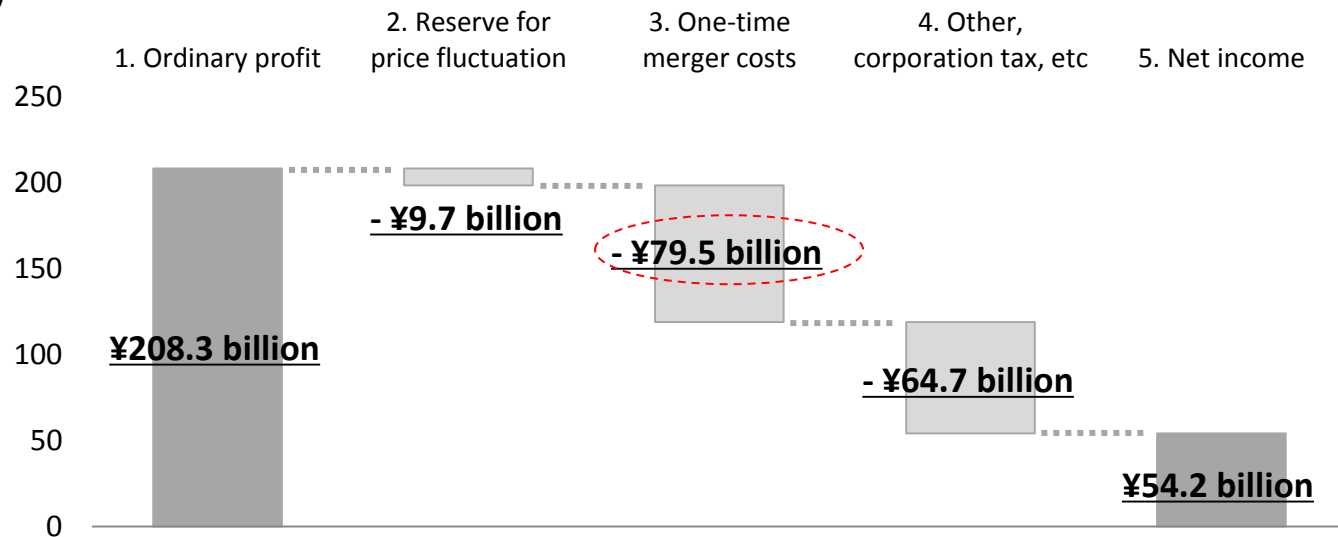
Breakdown of Extraordinary Gains/Losses, etc.

- ◆ One-time merger cost (-¥79.5 billion) and impact of corporate income tax reduction (-¥18.1 billion) were temporary negative factors*¹.

*1 One-time merger cost and impact of corporate income tax reduction are excluded to calculate adjusted profit.

The deference between ordinary profit and net income

(Billions of yen)



	1. Ordinary profit	2. Reserve for price fluctuation	3. One-time Merger costs	4. Other, corporate tax, etc	5. Net income
FY2013 Actual	¥112.3 billion	- ¥8.2 billion	- ¥20.9 billion	- ¥39.0 billion	¥44.1 billion
FY2014 Actual	¥208.3 billion	- ¥9.7 billion	- ¥79.5 billion	- ¥64.7 billion	¥54.2 billion

Impact of Corporate Income Tax Reduction

- ◆ Corporate income tax reduction has positive impact in medium to long term.
- ◆ Temporarily, the reduction in deferred tax assets has impact on the bottom-line.

Effective tax rate (Sompo Japan Nipponkoa)

Before	After
30.7%	28.8%

Impact on FY2014 results

(Billions of yen)	Net income
Sompo Japan Nipponkoa	-19.6
Himawari Life	-1.7
Purchase adjustment, etc.	+3.2 ^{*1}
Total	-18.1

*1 "Purchase method" accounting was adopted upon the establishment of Sompo Japan Nipponkoa Holdings (the former NKSJ Holdings), and deferred tax liabilities were recorded when unrealized gains on stocks, etc. were included. The reduction in these deferred liabilities due to the corporate income tax reduction has positive impact on net income.

Summary of Business Forecasts for FY2015 – Consolidate basis

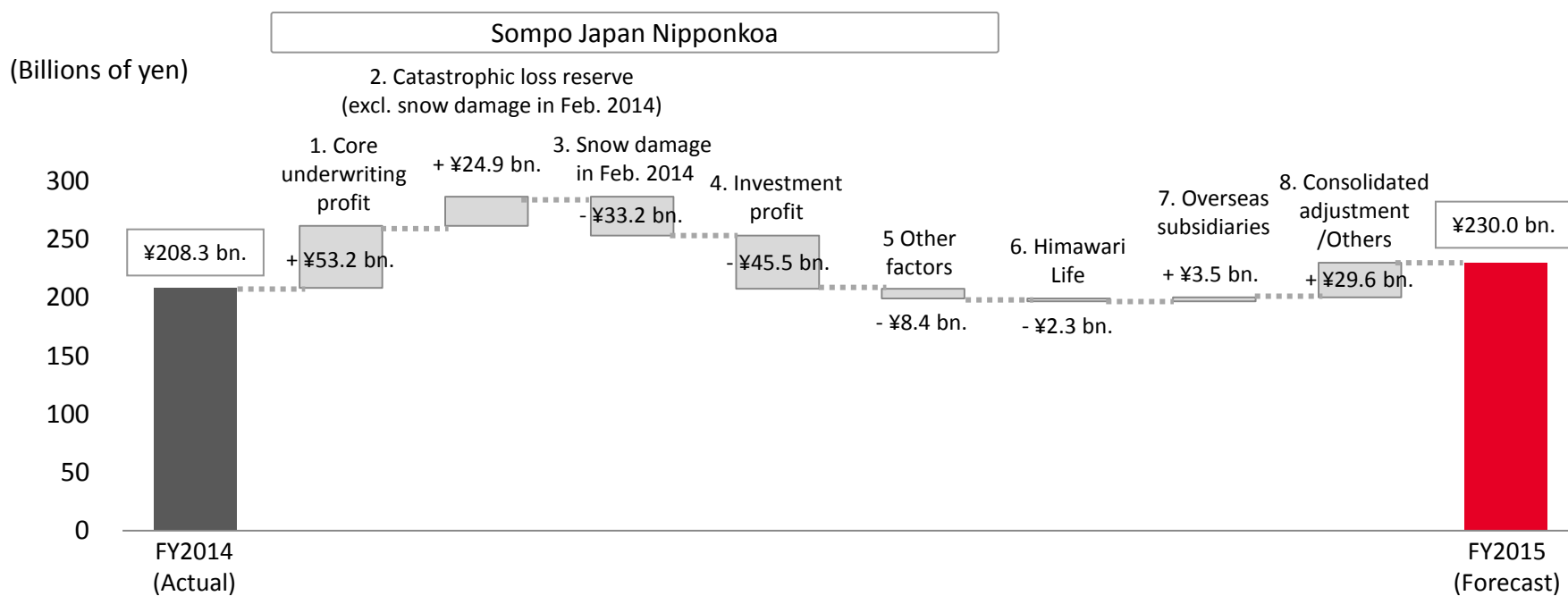
(Billions of yen)	FY2014 (Actual)	FY2015 (Forecasts)	Change	
Net premiums written (P&C)	2,508.0	2,607.0	+98.9	(+3.9%)
Life insurance premiums	277.2	277.0	-0.2	(-0.1%)
Ordinary profit (consolidated basis)	208.3	230.0	+21.6	(+10.4%)
Sompo Japan Nipponkoa	195.1	186.0	-9.1	(-4.7%)
Himawari Life	18.3	15.9	-2.3	(-12.8%)
Overseas subsidiaries	21.9	25.5	+3.5	(+16.0%)
Consolidated adjustment* ¹ /others	-27.1	2.5	+29.6	(-)
Net income (consolidated basis)	54.2	160.0	+105.7	(+194.8%)
Sompo Japan Nipponkoa	45.0	128.0	+82.9	(+184.1%)
Himawari Life	9.7	10.2	+0.5	(+5.7%)
Overseas subsidiaries	19.4	19.5	+0.1	(+0.5%)
Consolidated adjustment* ¹ /others	-19.9	2.1	+22.1	(-)
(Reference) Adjusted profit (by business)	138.3	228.0	+89.6	(+64.8%)
Domestic P&C Insurance	69.9	116.7	+46.8	(+66.9%)
Domestic Life Insurance	47.4	90.0	+42.6	(+89.9%)
Overseas Insurance	18.6	19.2	+0.5	(+3.0%)
Financial & Other Services	2.3	2.4	+0.0	(+4.3%)

*1 “Purchase method” accounting was adopted upon the establishment of Sompo Japan Nipponkoa Holdings (the former NKSJ Holdings). In the consolidated accounts of the holdings, assets and liabilities of the former Nipponkoa and some group companies were acquired and carried on the balance sheet at fair value at the time of business integration. (This gave rise to a difference between the carrying amount in the non-consolidated accounts of Sompo Japan Nipponkoa and some group companies’, and the carrying amount in consolidated accounts of the holdings.) Therefore, realized gains/losses, etc. of Sompo Japan Nipponkoa must be adjusted, and this adjustment is included in the above “consolidated adjustment.”

Main points of Business Forecasts for FY2015 – Consolidated Ordinary Profit

- ◆ Consolidated ordinary profit is forecast to improve to ¥230.0 billion (+¥21.6 billion) mainly due to increase in underwriting profit.

Main components of consolidated ordinary profit



	1. Core underwriting profit	2. Catastrophic loss reserve	3. Snow damage in Feb. 2014	4. Investment profit	5. Other factors	6. Himawari Life	7. Overseas subsidiaries	8. Consolidated adjustment /Others
FY2014 Actual	¥58.2 bn.	- ¥53.6 bn.	¥38.5 bn.	¥151.5 bn.	¥0.4 bn.	¥18.3 bn.	¥21.9 bn.	- ¥27.1 bn.
FY2015 Forecast	¥111.4 bn.	- ¥28.7 bn.	¥5.3 bn.	¥106.0 bn.	- ¥8.0 bn.	¥15.9 bn.	¥25.5 bn.	¥2.5 bn.

1. Trend of business results P.5

2. Domestic P&C insurance P.18

3. Domestic life insurance P.38

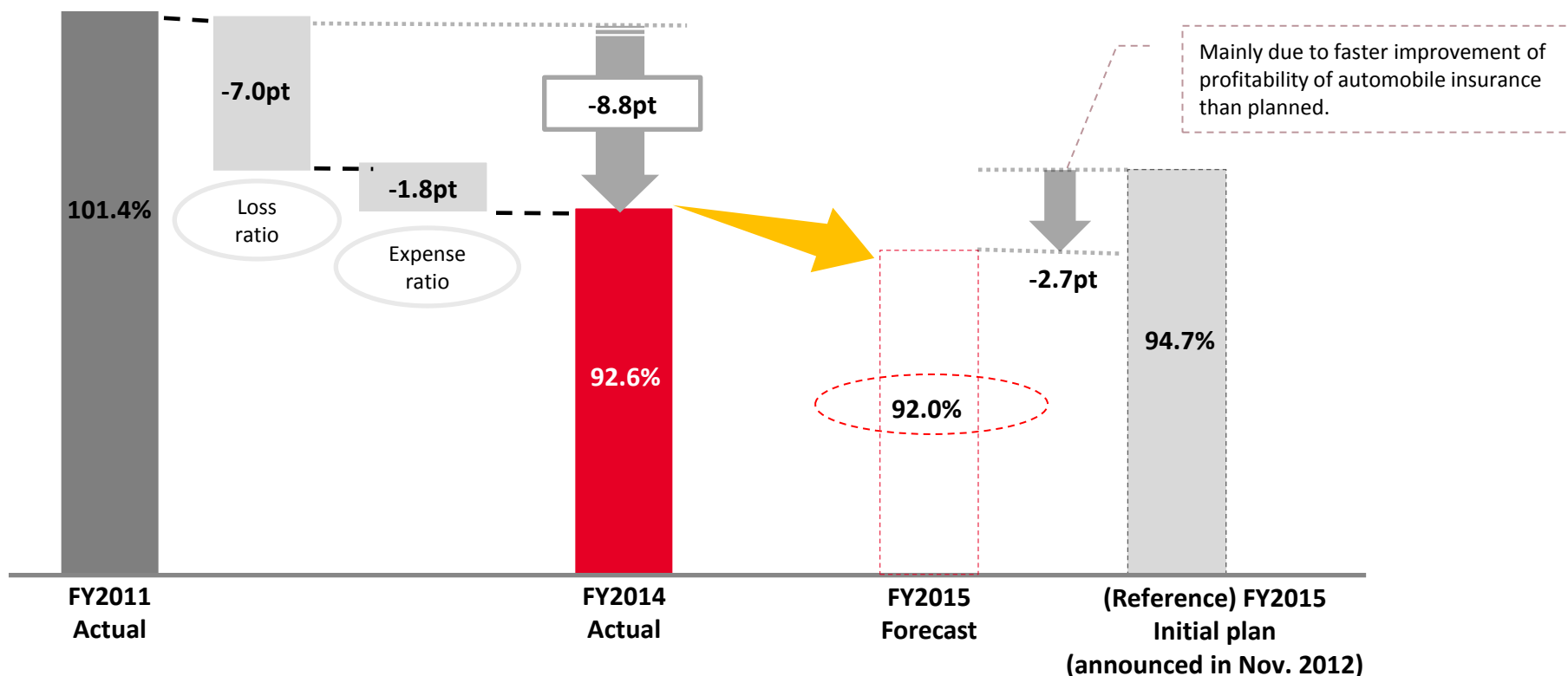
4. Overseas insurance, etc. P.46

5. ERM & Capital policy P.56

Profitability of Domestic P&C Insurance Business

- ◆ The profitability improved faster than planned due to product, premium rate, and driver rating system revisions, etc.
- ◆ Adjusted combined ratio in FY2015 is expected to be 92.0%, which is 2.7 points lower than planned.

Trends of adjusted combined ratio*1 (Sompo Japan Nipponkoa)



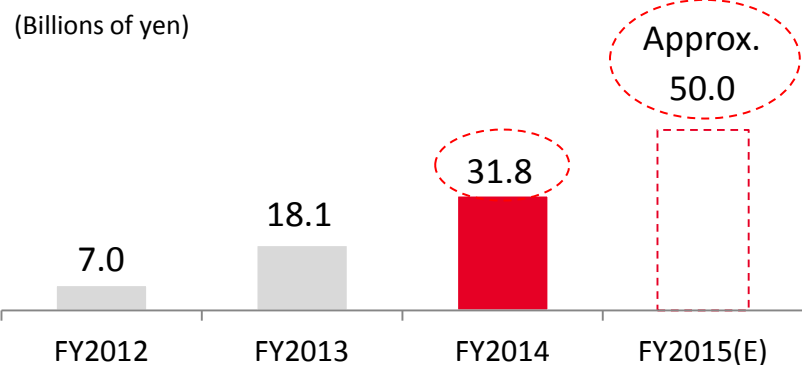
*1 Calculation standards of adjusted combined ratio shown here are as follows:

- One-time merger costs are excluded.
- Assumed impact of natural disasters is ¥38 billion in every year.
- CALI, Compulsory Automobile Liability Insurance, is excluded.

Merger Synergies and One-time Merger Costs

◆ Merger synergies and one-time merger costs are in line with the plan. About ¥50 billion cost reduction is expected in FY2015 (compared with FY2011).

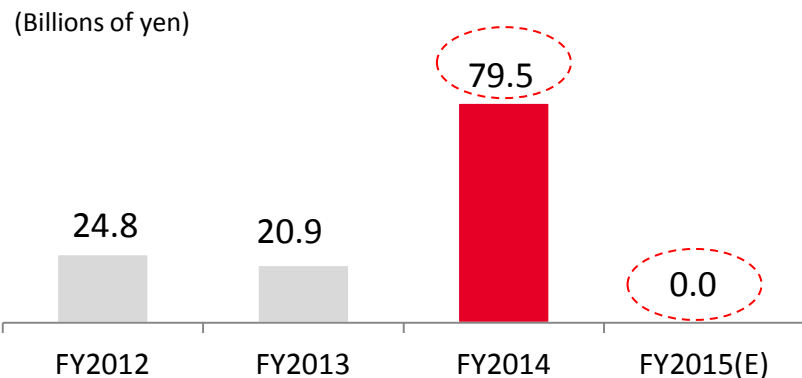
Merger synergies



(Billions of yen)

	FY2015		Key points
	Plan	Forecast	
Merger synergies	56	Approx. 50	-
Personnel cost	28	Approx. 29 (+1)	Achieved the target due to reduction of employees.
Non personnel cost	28	Approx. 21 (-7)	<ul style="list-style-type: none"> Impact of consumption tax hike: approx. -¥4.5 bn. Call center, sales force support, etc.: approx. -¥2.5 bn.

One-time merger costs



(Billions of yen)

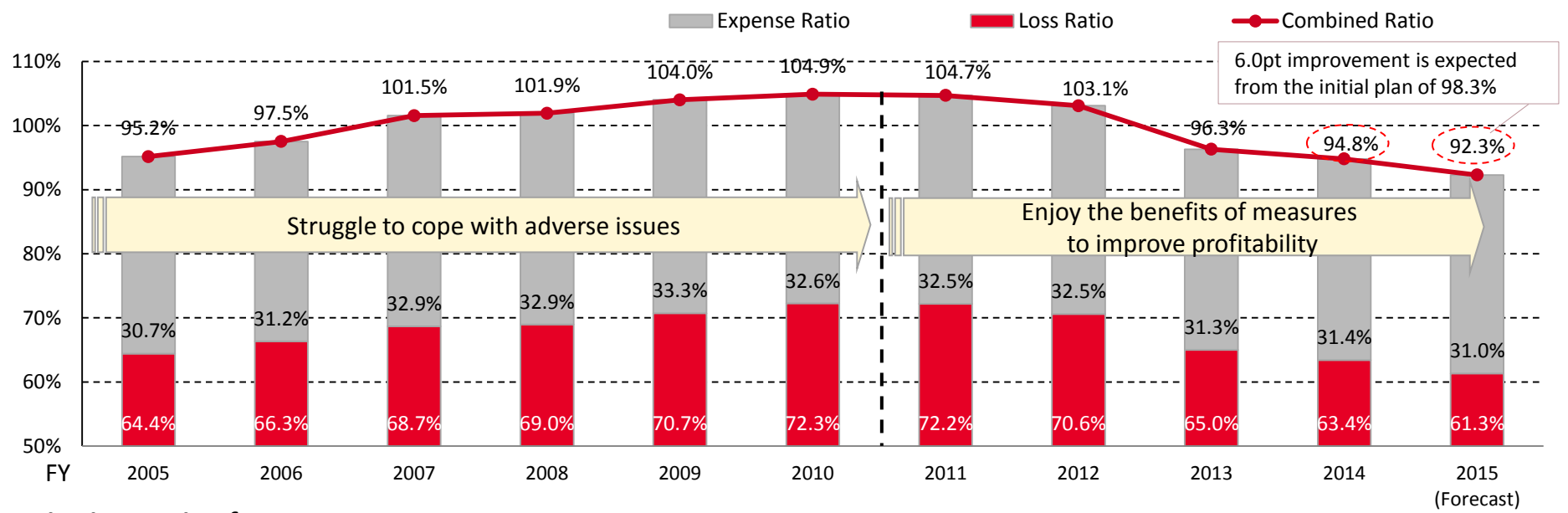
	Cumulative		Key points
	Plan	Forecast	
One-time merger costs	120	Approx. 125	-
Personnel cost	17	Approx. 20 (+3)	Increase in the number of employees applying to voluntary early retirement plan, etc.
Non personnel cost	103	Approx. 105 (+2)	Impact of consumption tax hike, etc.

* Merger costs are excluded from the calculation process of adjusted profit.

Combined Ratio of Automobile Insurance

◆ Combined ratio of automobile insurance improved to the lowest level in the past 10 years, and is expected to improve further in FY2015.

Combined ratio of automobile insurance (Sompo Japan Nipponkoa)



Major improving factors

- Rate revision for elderly drivers (Started in April 2011)
- Series of product and rate revisions and revision of driver rating system

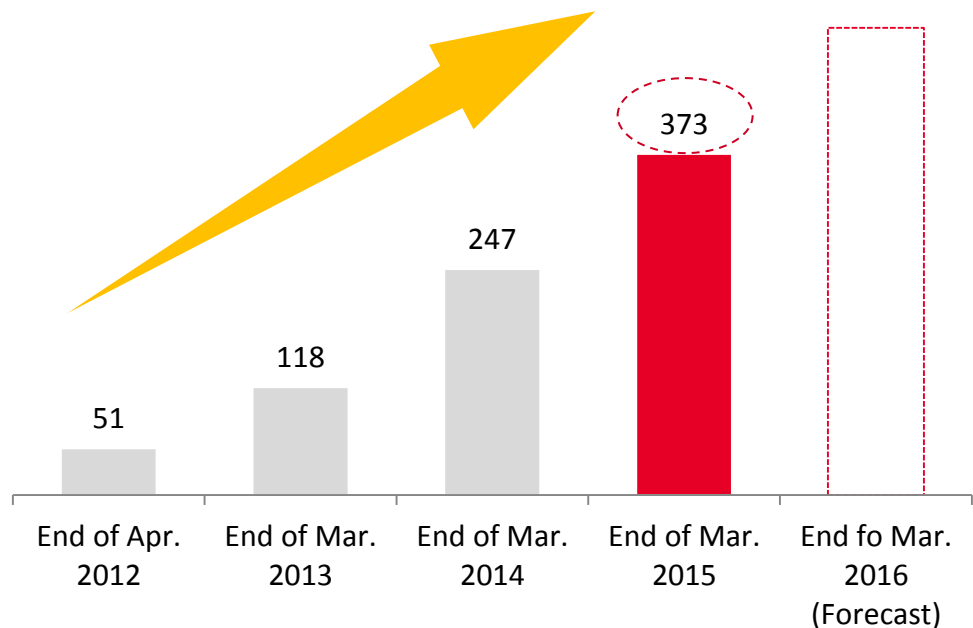
	FY2010	FY2011	FY2012	FY2013	FY2014
Sompo Japan	Apr. +0.8%	Apr. +1.7%	Oct. Driver rating system revision	Apr. +2.1%	Jul. +2.5%
Nipponkoa	Dec. +1.4%	Jan. +1.8%	Oct. Driver rating system revision	Apr. +2.0%	Sep. +2.5%

Direct Business

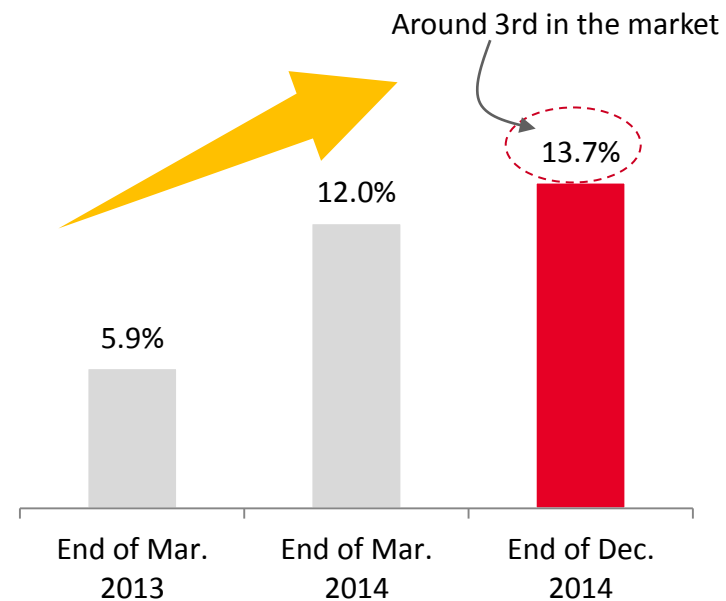
◆ Direct automobile insurance “Otona no Jidosha Hoken” continues good sales.

Trends of policies in force of “Otona no Jidosha Hoken”^{*1}

(Thousands)



Market share of new premiums (estimation)^{*2} in direct automobile insurance



*1 Saison Automobile & Fire launched in January 2011.

*2 Our estimation by gross written premiums.

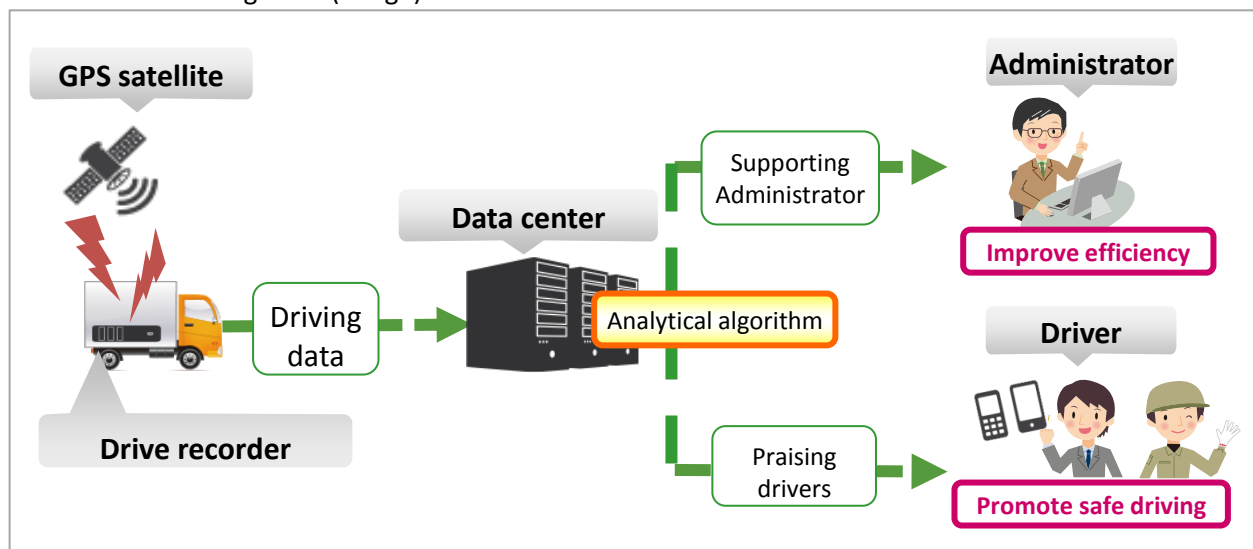
Telematics

- ◆ Actively conduct research and development for advanced technologies, such as big data analysis, telematics, etc.
- ◆ Started providing safe driving supporting system “Smiling Road” to corporate customers for profit.

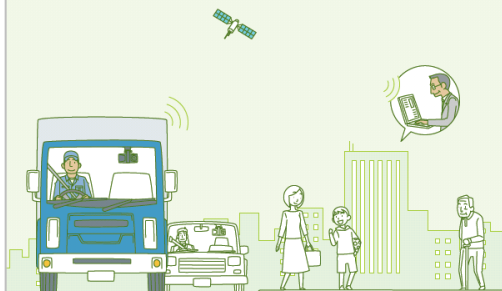
Features of Smiling Road

- Gather and analyze driving data, utilizing advanced technology.
- Make drivers voluntarily drive cars safely
- Enhance claim and risk consulting services as a P&C insurance group.
- Discount premiums for fleet by 5% when introducing the system to all cars.

Structure of Smiling Road (Image)



管理者もドライバーも笑顔になれる。
事故防止対策の新たな道がここにある。



フリート契約者様向け事故防止サービス

SMILING ROAD

スマイリングロード

* Image of brochure (Japanese)

Overview of FY2014 Results (Sompo Japan Nipponkoa)

- ◆ The top-line steadily expanded, and ordinary profit significantly increased due to drastic improvement of underwriting profit, etc.
- ◆ Net income was ¥45.0 billion, covering one-time merger cost (¥79.5 billion) recorded as an extraordinary loss, and impact of corporate income tax reduction.

(Billions of yen)	FY2013	FY2014	Change
Net premiums written	2,082.1	2,181.3	+99.1 (+4.8%)
(excl. CALI, household earthquake)	1,783.0	1,875.2	+92.2 (+5.2%)
Loss Ratio	65.7%	65.6%	-0.1pt
(excl. CALI, household earthquake)	62.7%	63.2%	+0.5pt
Expense Ratio	32.2%	31.8%	-0.4pt
(excl. CALI, household earthquake)	34.2%	33.6%	-0.6pt
Combined Ratio	97.9%	97.4%	-0.5pt
(excl. CALI, household earthquake)	96.9%	96.8%	-0.1pt
Underwriting profit	-62.5	45.2	+107.8
Investment profit	192.7	151.5	-41.1
Ordinary profit	117.7	195.1	+77.3
Net income	49.5	45.0	-4.4
+Provisions for catastrophic loss reserve (after tax)	8.0	-7.7	-15.7
+Provisions for reserve for price fluctuation (after tax)	5.2	6.3	+1.1
-Gains/losses on sales of securities and impairment losses on securities (after tax)	73.9	45.6	-28.2
-Special factors (after tax)* ¹	-26.7	-80.0	-53.2
Adjusted profit	15.6	77.9	+62.3

(Reference)
Adjusted
profit

*1 Special factors are one-time merger costs, etc.

Net Premiums Written

◆ Net premiums written increased in all lines, including the mainstay voluntary automobile and fire and allied lines.

Net premiums written by product line

(Billions of yen)

	FY2013	FY2014	Change	FY2015 (Forecasts)	Change
Fire and Allied Lines	283.6	323.2	+39.5 (+14.0%)	312.5	-10.6 (-3.3%)
Marine	45.6	52.5	+6.9 (+15.1%)	55.5	+3.0 (+5.8%)
Personal Accident	184.9	185.2	+0.2 (+0.1%)	186.4	+1.1 (+0.6%)
Voluntary Automobile	1,014.1	1,043.7	+29.5 (+2.9%)	1,086.2	+42.4 (+4.1%)
CALI	298.2	305.2	+6.9 (+2.3%)	304.8	-0.3 (-0.1%)
Other	255.4	271.2	+15.8 (+6.2%)	274.9	+3.6 (+1.4%)
of which, Liability	150.3	156.9	+6.6 (+4.4%)	153.0	-3.9 (-2.5%)
Total	2,082.1	2,181.3	+99.1 (+4.8%)	2,220.6	+39.3 (+1.8%)
Total (excl. CALI, household earthquake)	1,783.0	1,875.2	+92.2 (+5.2%)	1,914.7	+39.5 (+2.1%)

(Reference) Year-on-Year comparison of voluntary automobile insurance (end of March 2015)

	Sompo Japan Nipponkoa		
	# of vehicles	Premium /vehicle	Total Premium
Non-Fleet	-0.7%	3.2%	2.4%
Fleet	2.1%	3.0%	5.2%
Total	-0.2%	3.1%	2.9%

*Performance evaluation basis

(Main factors for growth of net premiums written)

Fire and Allied Lines: Both household and corporate steadily progressed, and assumed reinsurance increased.

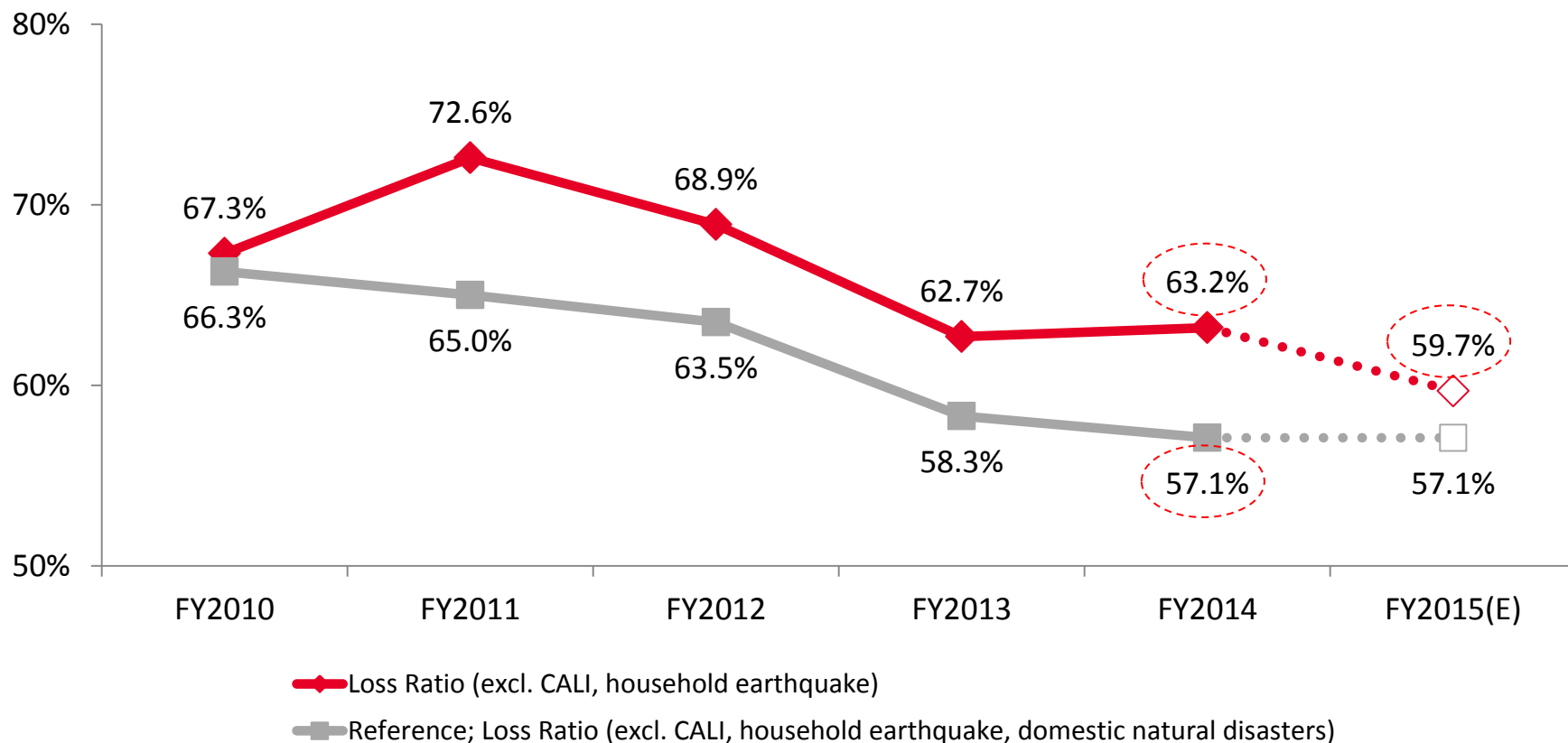
Voluntary Automobile: Mainly impact of revisions of products and premiums.

Other: Good underwriting results in Liability, etc.

Loss Ratio (W/P)

- ◆ In FY2014, loss ratio rose by 0.5 points due to progress of claims payment for snow damage in February 2014, etc.
- ◆ Loss ratio in FY2015 is expect to improve by 3.5 points to 59.7%.

Trends of loss ratio (excl. CALI, household earthquake)

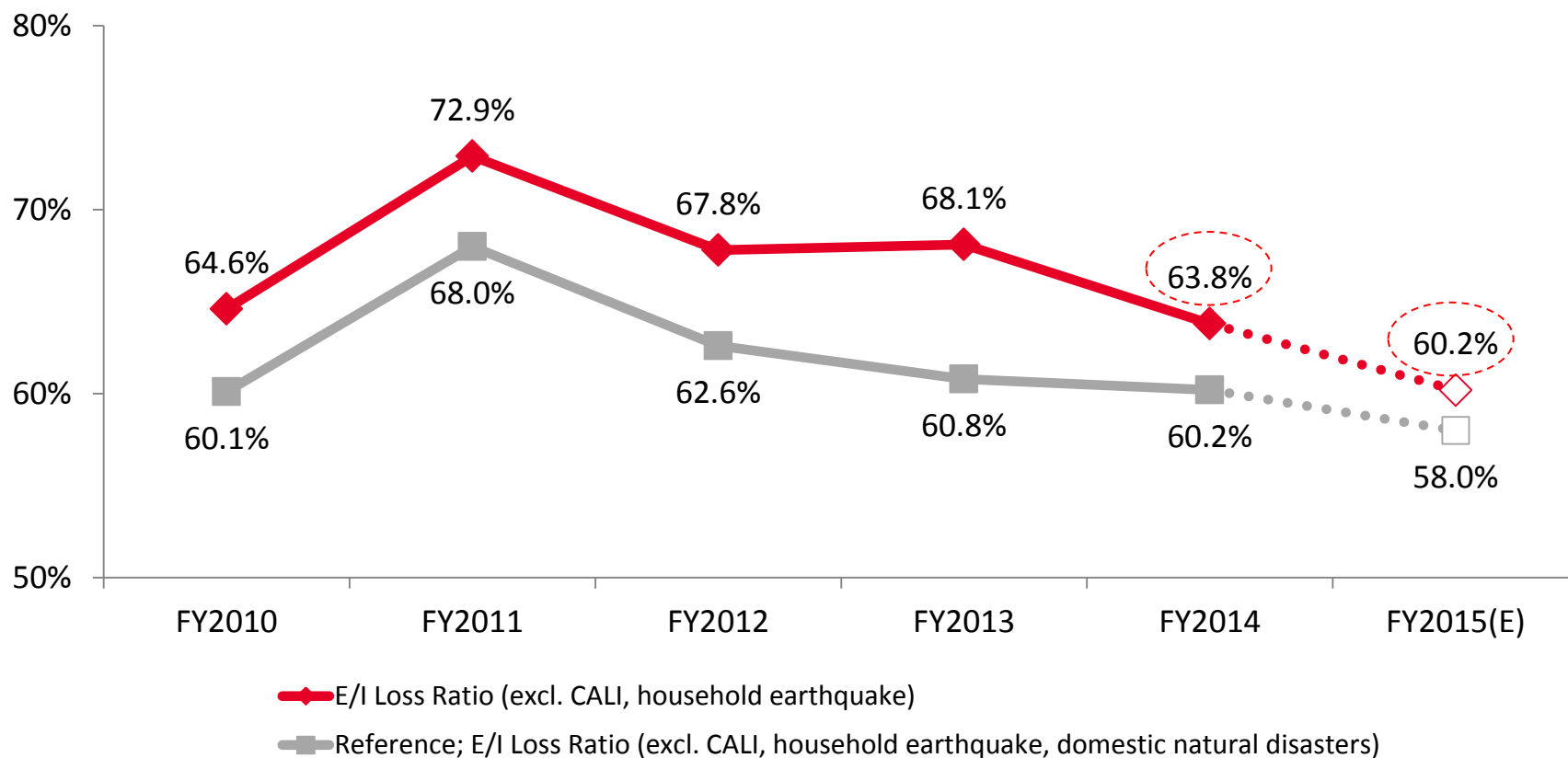


* Loss ratio is on a written paid basis (including loss adjustment expense).

Loss Ratio (E/I)

- ◆ E/I loss ratio drastically improved in FY2014 due to improvement of profitability of automobile insurance, etc.
- ◆ E/I loss ratio is expected to improve further in FY2015.

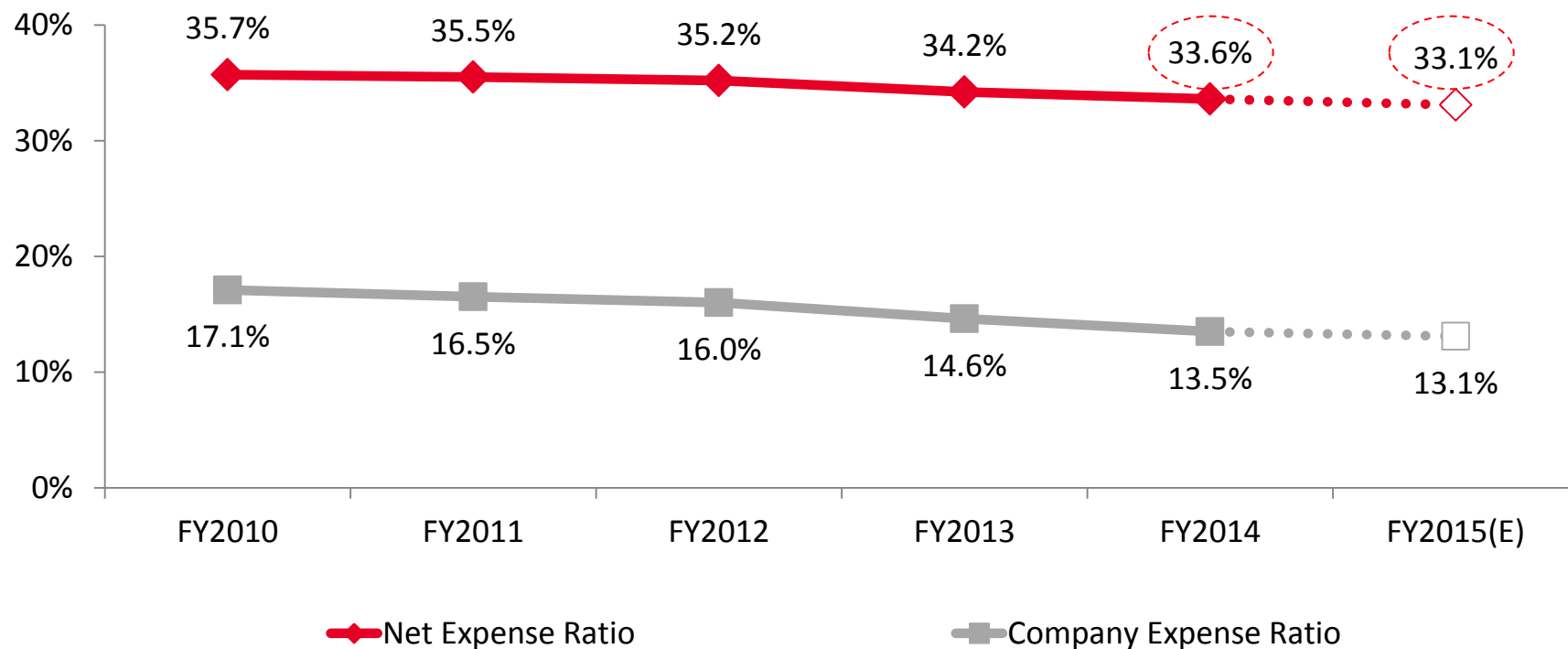
Trends of E/I loss ratio (excl. CALI, household earthquake)



Net Expense Ratio

◆ Net expense ratio and company expense ratio both steadily declined.

Trends of net expense ratio (excl. CALI, household earthquake)

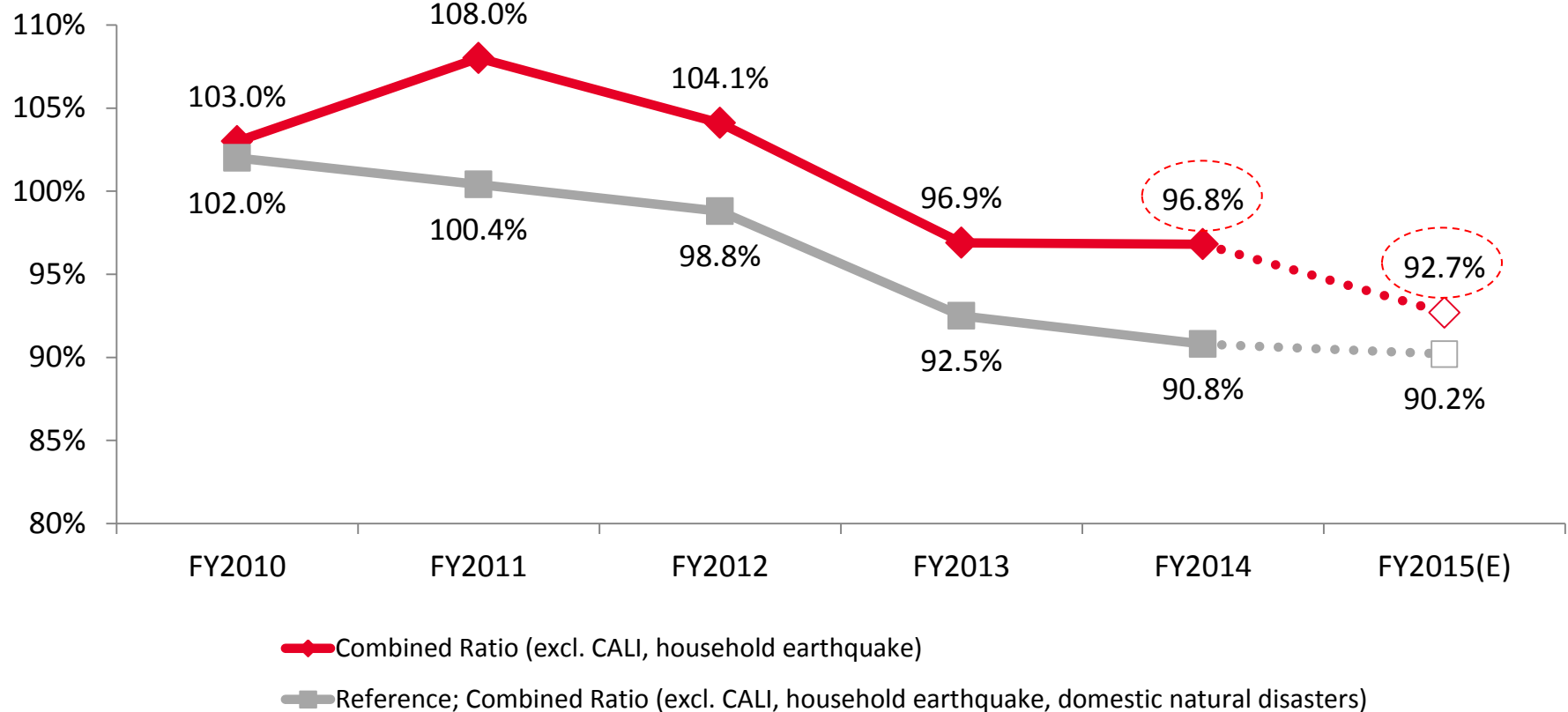


* Company expense ratio is the ratio of operating, general administrative expenses for underwriting against the net premiums written.

Combined Ratio

- ◆ Combined ratio remained level at 96.8% in FY2014 due to progress of claims payment for snow damage in February 2014, etc.
- ◆ Combined ratio is expected to improve by 4.1 points to 92.7% in FY2015.

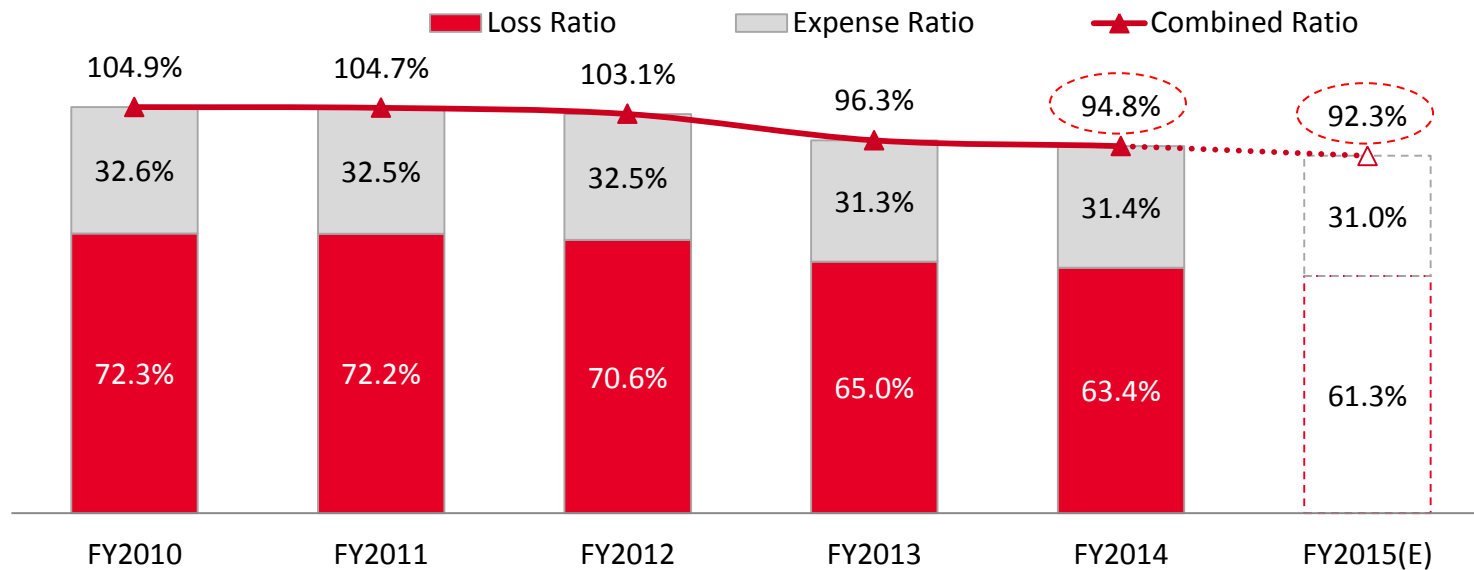
Trends of combined ratio (excl. CALI, household earthquake)



Voluntary Automobile Insurance - Profitability

- ◆ Combined ratio keeps on improving trend due to impact of product and rate revisions and decrease in the number of reported claims, etc.
- ◆ Combined ratio is expected to improve further to 92.3% in FY2015.

Trends of combined ratio of voluntary automobile insurance

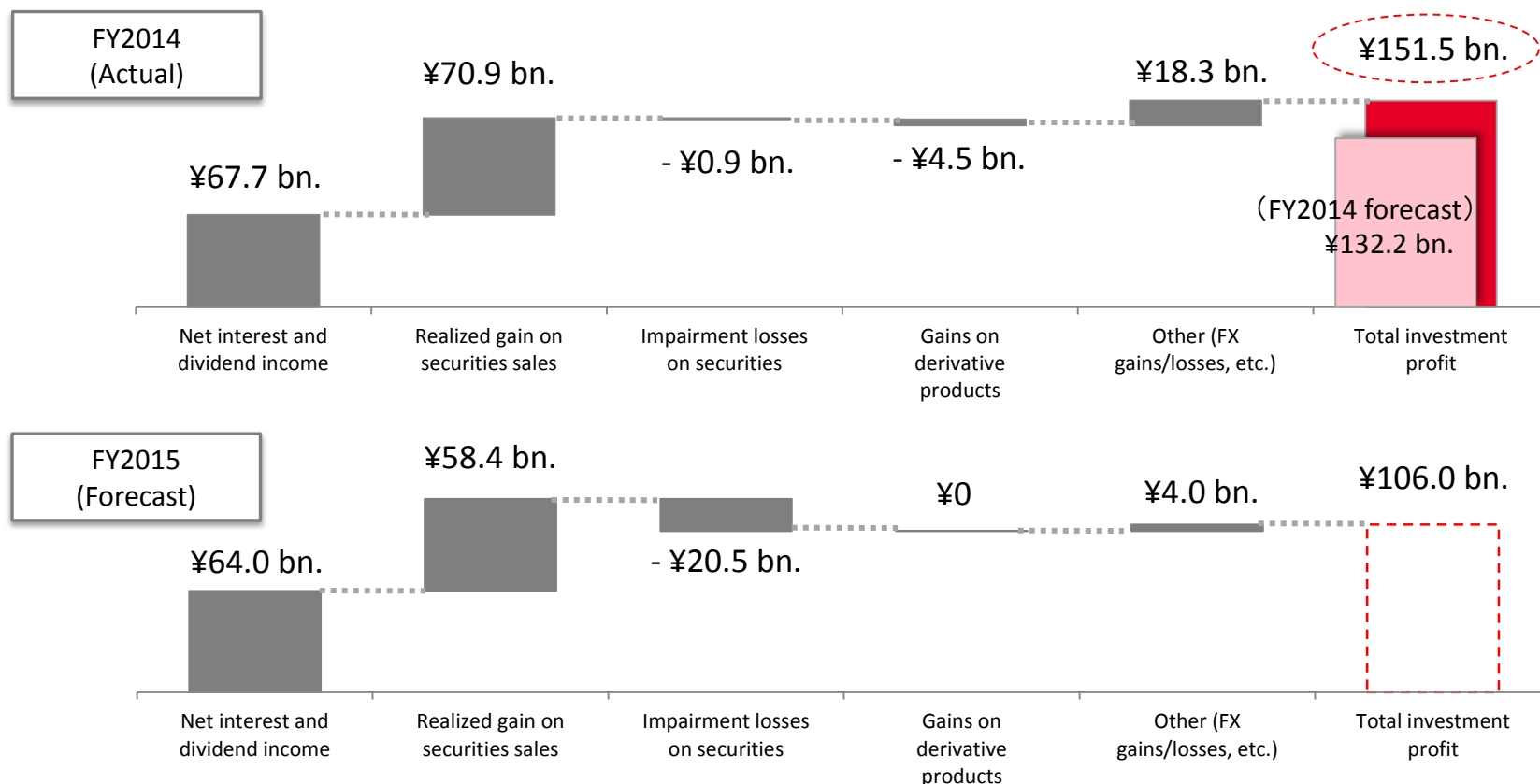


* Loss ratio is on a written paid basis (including loss adjustment expense).

Investment Profit

◆ In FY2014, investment profit exceeded the forecast thanks to the favorable investment environment.

Breakdown of investment profit (Sompo Japan Nipponkoa)



Business Forecasts for FY2015 – Sompo Japan Nipponkoa

(Billions of yen)	FY2014 Actual	FY2015 Forecast	Change
Net premiums written	2,181.3	2,220.6	+39.3 (+1.8%)
(excl. CALI, household earthquake)	1,875.2	1,914.7	+39.5 (+2.1%)
Loss Ratio	65.6%	62.5%	-3.1pt
(excl. CALI, household earthquake)	63.2%	59.7%	-3.5pt
E/I Loss Ratio (excl. CALI, household earthquake)	63.8%	60.2%	-3.5pt
Expense Ratio	31.8%	31.4%	-0.4pt
(excl. CALI, household earthquake)	33.6%	33.1%	-0.6pt
Combined Ratio	97.4%	93.8%	-3.6pt
(excl. CALI, household earthquake)	96.8%	92.7%	-4.1pt
Underwriting profit	45.2	88.0	+42.7 (+94.6%)
Investment profit	151.5	106.0	-45.5 (-30.1%)
Ordinary profit	195.1	186.0	-9.1 (-4.7%)
Net income	45.0	128.0	+82.9 (+184.1%)
+Provisions for catastrophic loss reserve (after tax)	-7.7	16.6	+24.4
+Provisions for reserve for price fluctuation (after tax)	6.3	5.8	-0.4
-Gains/losses on sales of securities and impairment losses on securities (after tax)	45.6	26.9	-18.6
-Special factors (after tax)* ¹	-80.0	0.0	+80.0
Adjusted profit	77.9	123.5	+45.5 (+58.4%)

(Reference)
Adjusted
profit

*1 Special factors are one-time merger costs, etc.

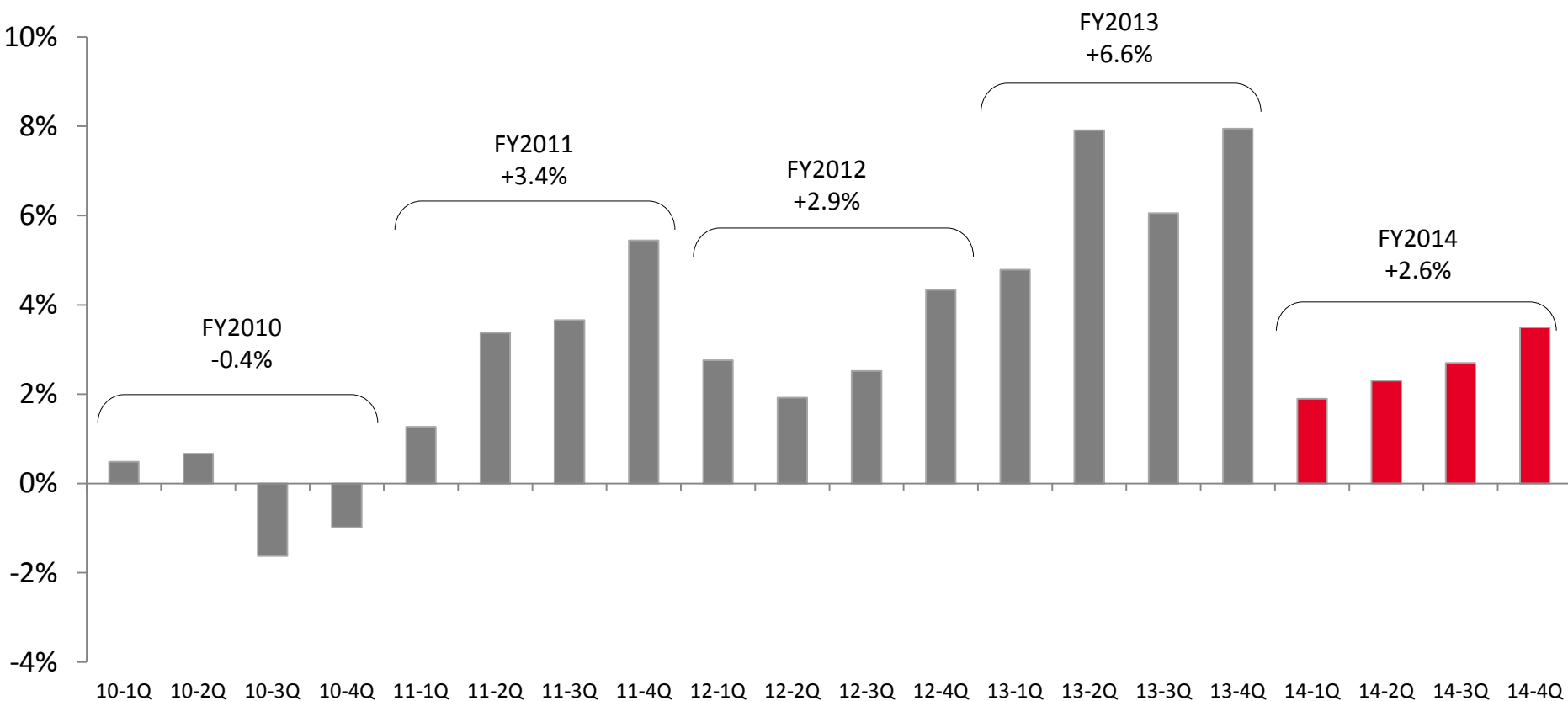
Assumption of Business Forecasts for FY2015

Losses from domestic natural disasters (occurring in the fiscal year)	¥43.0 billion
Snow Damage in February 2014	Net claims paid : ¥5.3 billion
Catastrophic loss reserve	Net provision : ¥23.4 billion
Provision rate of Catastrophic loss reserve	Provision rate of fire group : 10% Provision rate of automobile group : 3.2%
Market indicators	(Stock) Nikkei 225 : ¥19,206 (Interest yield) 10y JGB : 0.41% (Foreign exchange) 1US\$: ¥120.17 1Euro : ¥130.32
Interest and dividend income	Gross : ¥106.6 billion Net : ¥64.0 billion
Realized gains on securities	Realized gains on security sales : ¥58.4 billion Impairment losses on securities : ¥20.5 billion
Reserve for price fluctuation	Net provision : ¥8.2 billion

(Reference) Premiums (Performance Evaluation Basis)

◆ The top line has continued to grow since FY2011.

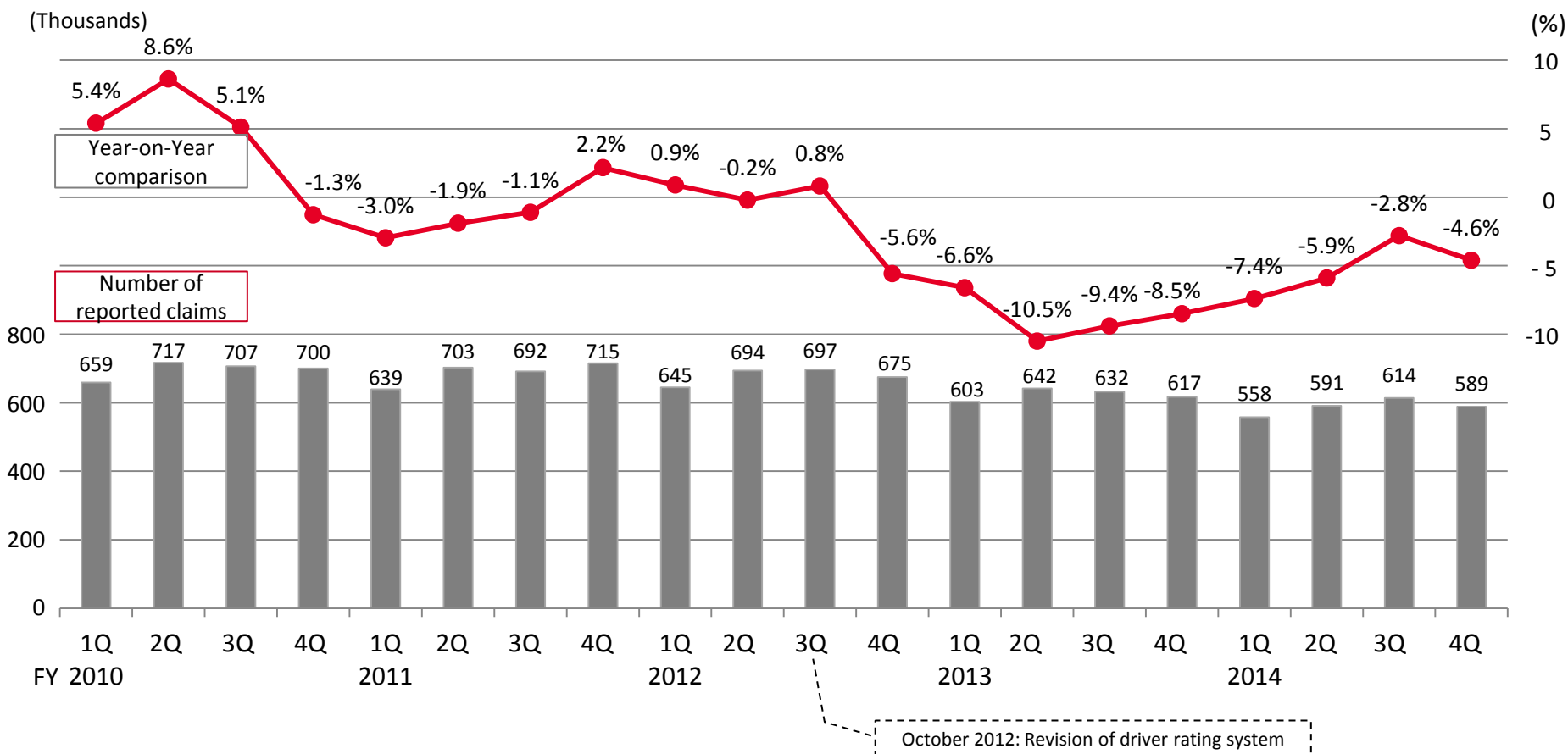
Quarterly trends of premium increase (General lines total, Year-on-Year comparison)



* Premium is performance evaluation basis.

(Reference) Number of Reported Claims of Automobile Insurance

Trends of number of reported claims



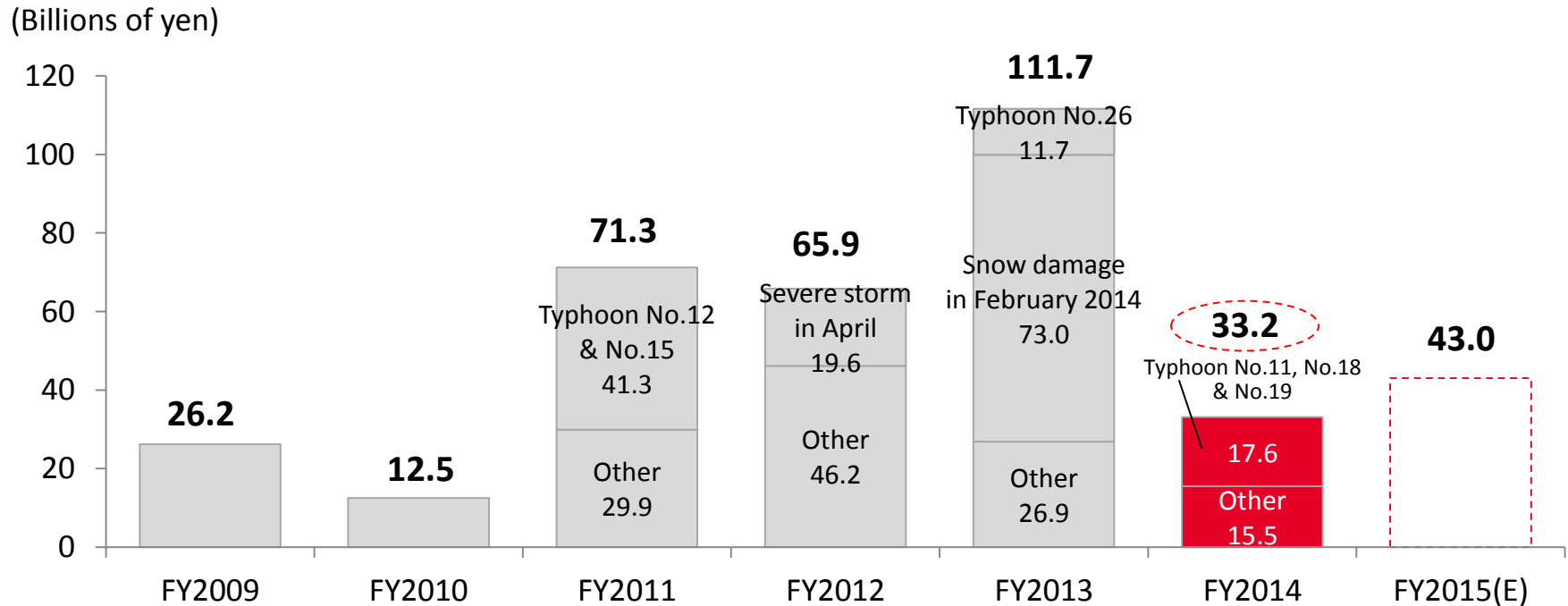
* Year on Year comparison is adjusted based on calendar.

* Special factors in each fiscal year (The Great East Japan Earthquake, typhoon No.12 and 15 in FY2011, the severe storm in April 2012, and snow damage in February 2014) are excluded.

(Reference) Domestic Natural Disasters

◆ Incurred losses for domestic natural disasters in FY2014 was ¥33.2 billion.

Trends of net loss occurred for domestic natural disasters (only events that occurred in the fiscal year)



* Excluding Great East Japan Earthquake

(Reference) Snow Damage in February 2014

◆ Clams payment has almost finished. In FY2014, the impact on underwriting profit was ¥38.5 billion mainly due to the reversal of catastrophic loss reserve.

The impact of snow damage in February 2014

	(Billions of yen)				
	FY2013	FY2014		By the end of FY2014 (cumulative)	
	Total	Total	Fire and allied lines	Voluntary automobile	Total
Net claims paid	20.8	73.1	66.0	4.8	94.0
Provision of outstanding loss reserve	52.1	-46.8	-41.3	-3.6	5.3
Net Loss Occurred	73.0	26.3	24.6	1.2	99.4
Reversal of catastrophic loss reserve	8.4	64.9	60.0	4.8	73.3
Impact on underwriting profit	-64.6	38.5	35.4	3.6	-26.0

* Impact of snow damage incurred from February 8, 2014 to February 19, 2014

1. Trend of business results P.5

2. Domestic P&C insurance P.18

3. Domestic life insurance P.38

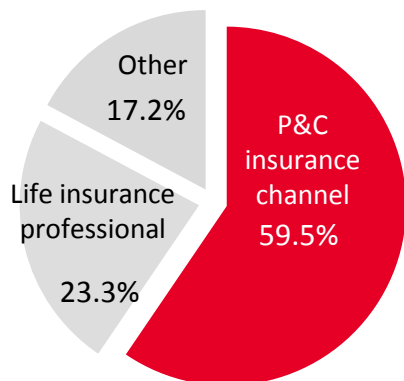
4. Overseas insurance, etc. P.46

5. ERM & Capital policy P.56

Strategies for Domestic Life Business

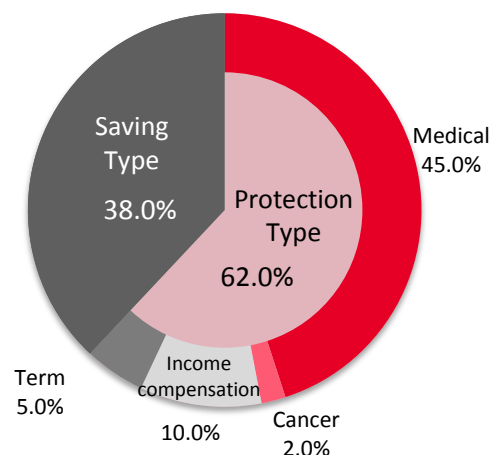
- ◆ Utilize our P&C insurance agency network and focus on high-margin protection-type products.
- ◆ Plan to actively develop new products and services from customers' perspective.

Sales channel strategy*1



- 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



- Focusing on highly profitable protection-type products.
- New business margin is 6.6% (FY2014), which is the highest level in the market.

*1 Annualized new premium from April 1, 2014 to March 31, 2015

Next steps

New business model development

Build new business model and strengthen customer contact, utilizing ICT.

Well-planned product renewal

Expand product lineup by capturing customer needs

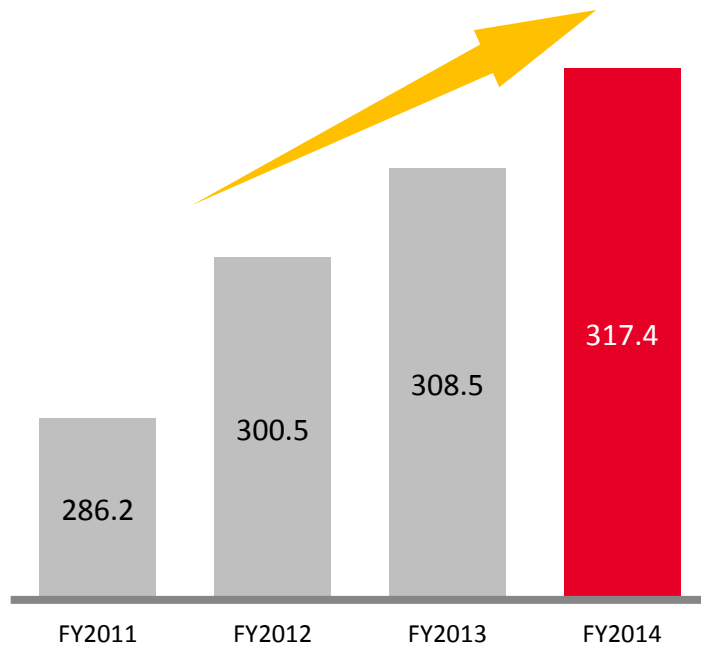
Cost reduction by reforming operations

Reform and minimize operation processes

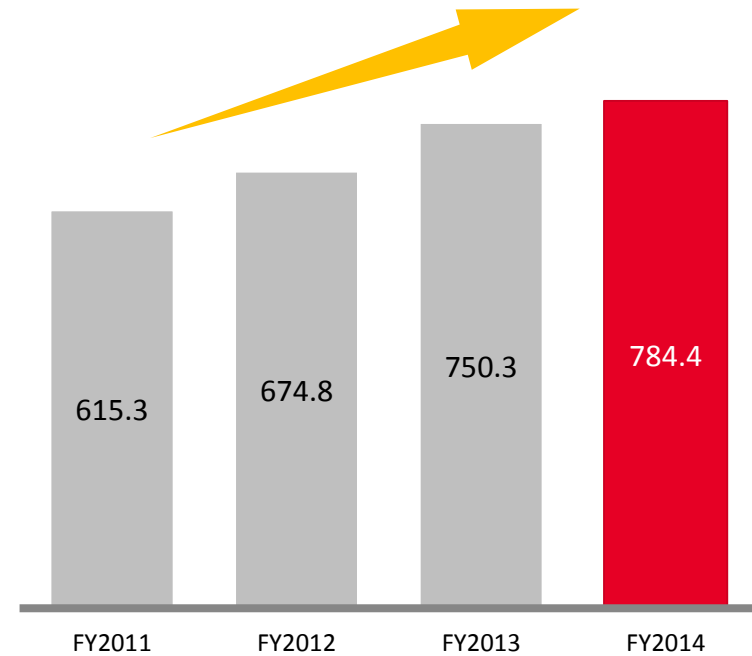
Trend of Annualized Premium in Force and MCEV

- ◆ Steadily expand policies in force, and keep increasing trend of MCEV.

Trends of annualized premium in force (Billions of yen)



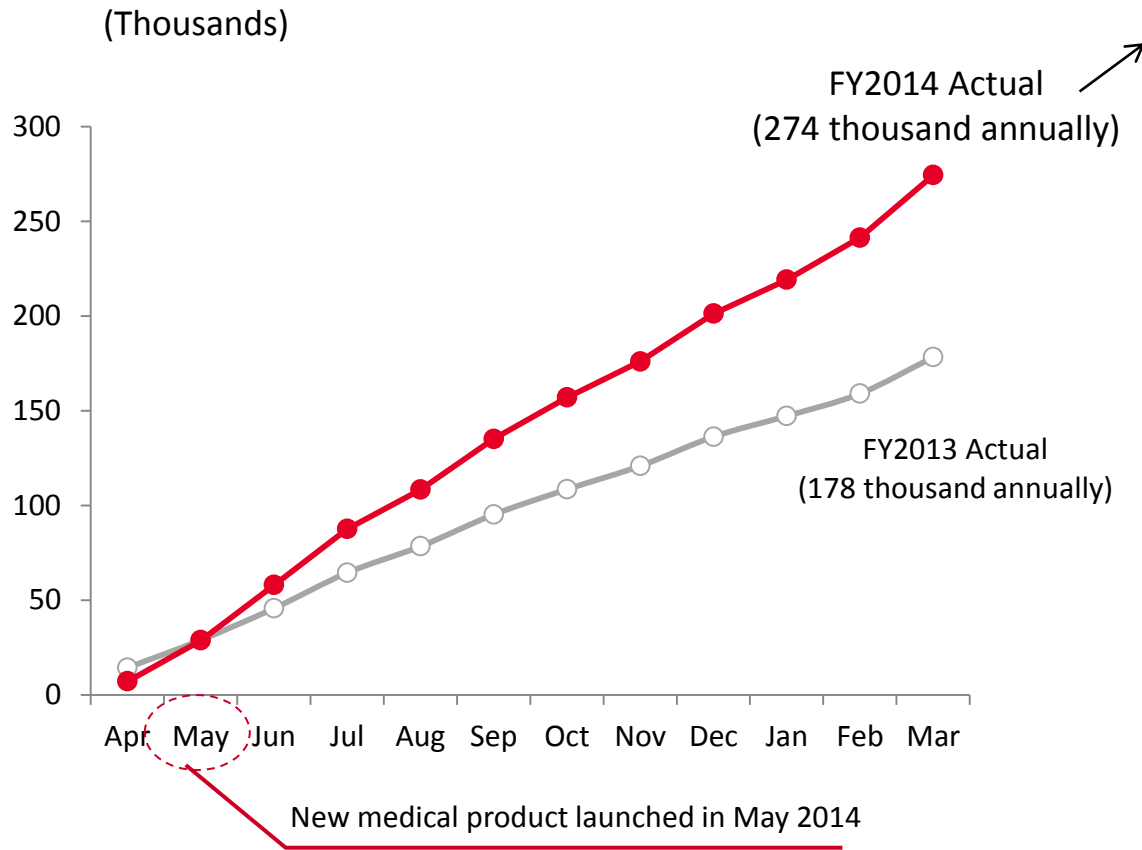
Trends of MCEV (Billions of yen)



Sales of Medical Insurance Products

- ◆ The number of policies sold in FY2014 was a record high of 274 thousand.
- ◆ Capture new needs by launching simple underwriting medical insurance, and continue to sell 300 thousand annually.

Number of sales of medical insurance



History of product development

		Key points
FY2008	Medical	Increased coverage & price appeal
FY2009	Income compensation	Discount for Non smoker & healthy people
FY2010	Cancer and rider	Coverage for outpatient treatment (1st in industry)
FY2014	Medical	Further increased coverage & price appeal
FY2015	Simple underwriting medical	Eased underwriting, keeping profitability

Annualized New Premium and Annualized Premium in Force

- ◆ Annualized premium in force keeps increasing due to growth of policies in force, especially in protection-type products.

	FY2013	FY2014	Change		FY2015 (Forecast)	Change	
							(Billions of yen)
Amount of new business	2,635.0	2,388.6	-246.3	(-9.3%)	2,461.9	+78.4	(+3.3%)
Annualized new premium	30.4	35.6	+5.1	(+16.8%)	39.5	+3.9	(+11.0%)
Premium and other income	372.8	380.7	+7.8	(+2.1%)	390.8	+10.0	(+2.6%)
(excl. lump-sum payment)	369.0	377.5	+8.4	(+2.3%)	387.9	+10.3	(+2.7%)
Ordinary profit	17.2	22.5	+5.3	(+30.9%)	20.2	-2.3	(-10.4%)
Net income	8.0	9.7	+1.6	(+20.6%)	10.2	+0.5	(+5.7%)

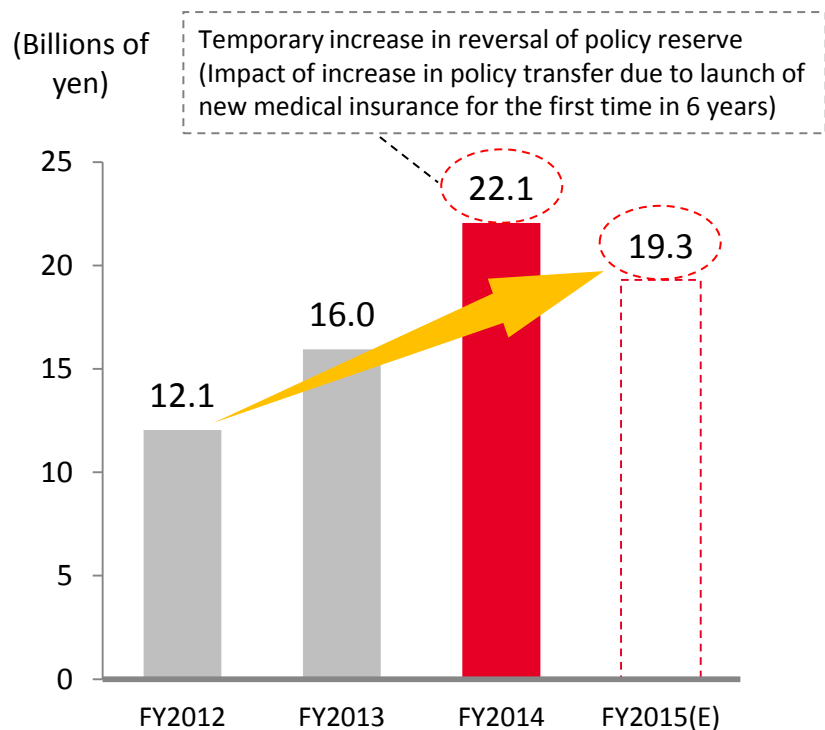
	End of FY2013	End of FY2014	Change			Change	
							(Billions of yen)
Amount of business in force	20,245.5	21,043.1	+797.5	(+3.9%)			
Annualized premium in force	308.5	317.4	+8.9	(+2.9%)	Breakdown		
						Protection-type	+7.3
						Saving-type	+1.5
						Total	+8.9

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

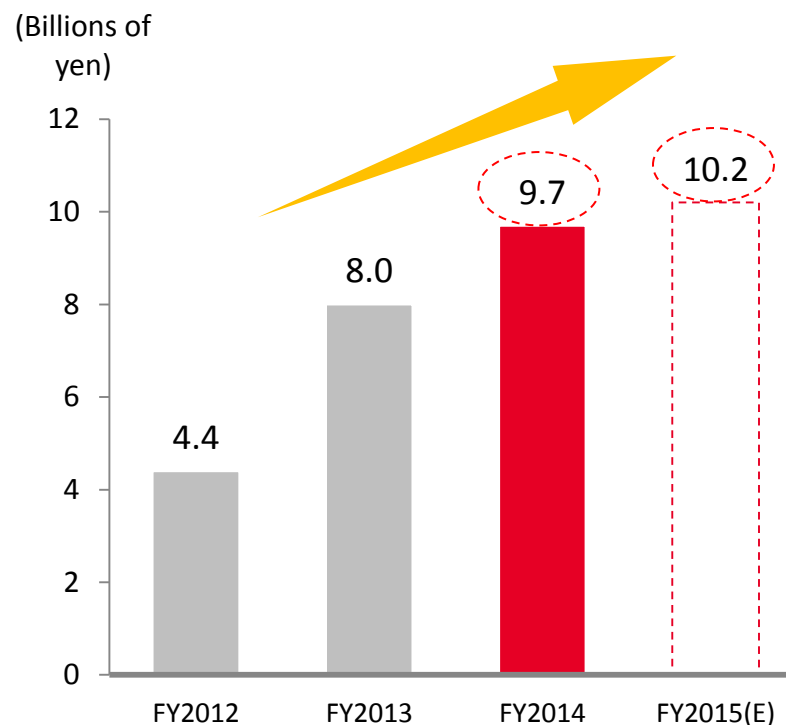
Basic Profit and Net Income (J-GAAP)

◆ Basic profit was around ¥20 billion. J-GAAP net income is expected to be ¥10.2 billion in FY2015.

Basic profit*1



Net income



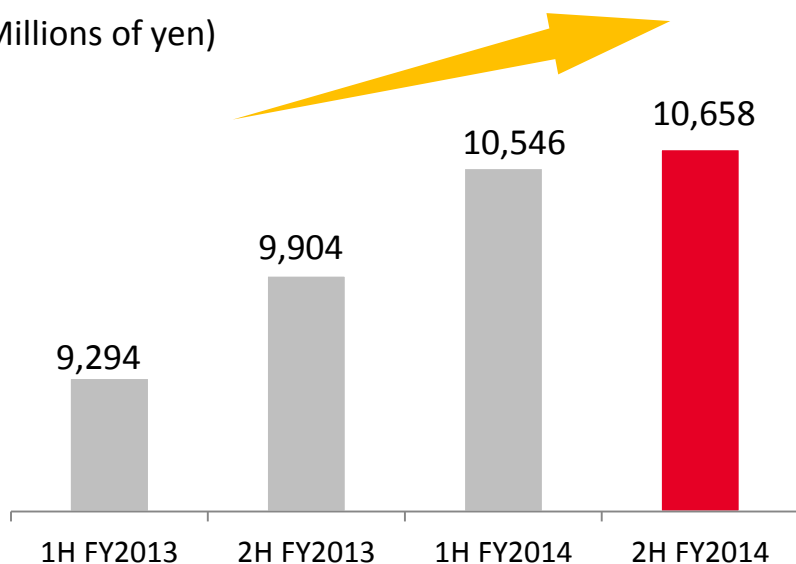
*1 Akin to a general business corporation's operating profit or a bank's business profit, basic profit is after deduction of capital gain or loss, such as gain or loss on the sale of securities from recurring profit, and one-time gains or losses such as provision for contingency reserve.

Trend of P&C Insurance Channel and Weight of Protection-type Products

◆ Sales has steadily increased in P&C channels, and weight of protection-type products stays high.

Trends of sales in P&C insurance channels

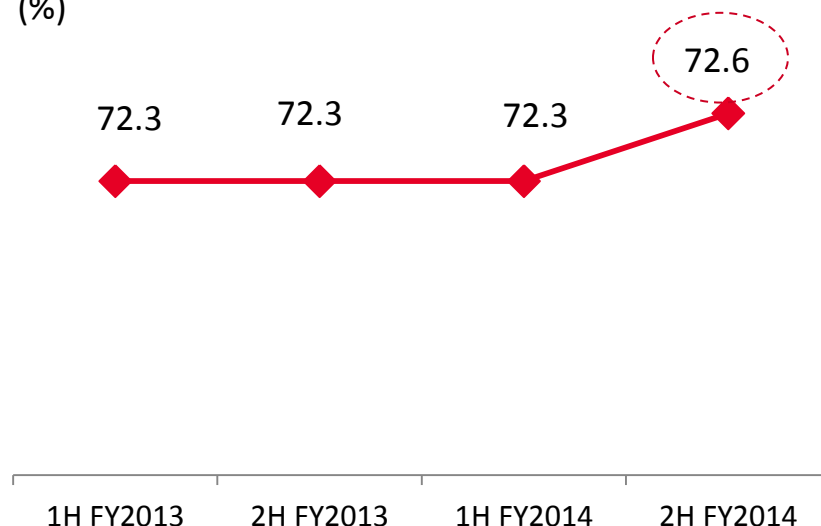
(Millions of yen)



* Annualized new premium

Weight of protection-type products

(%)



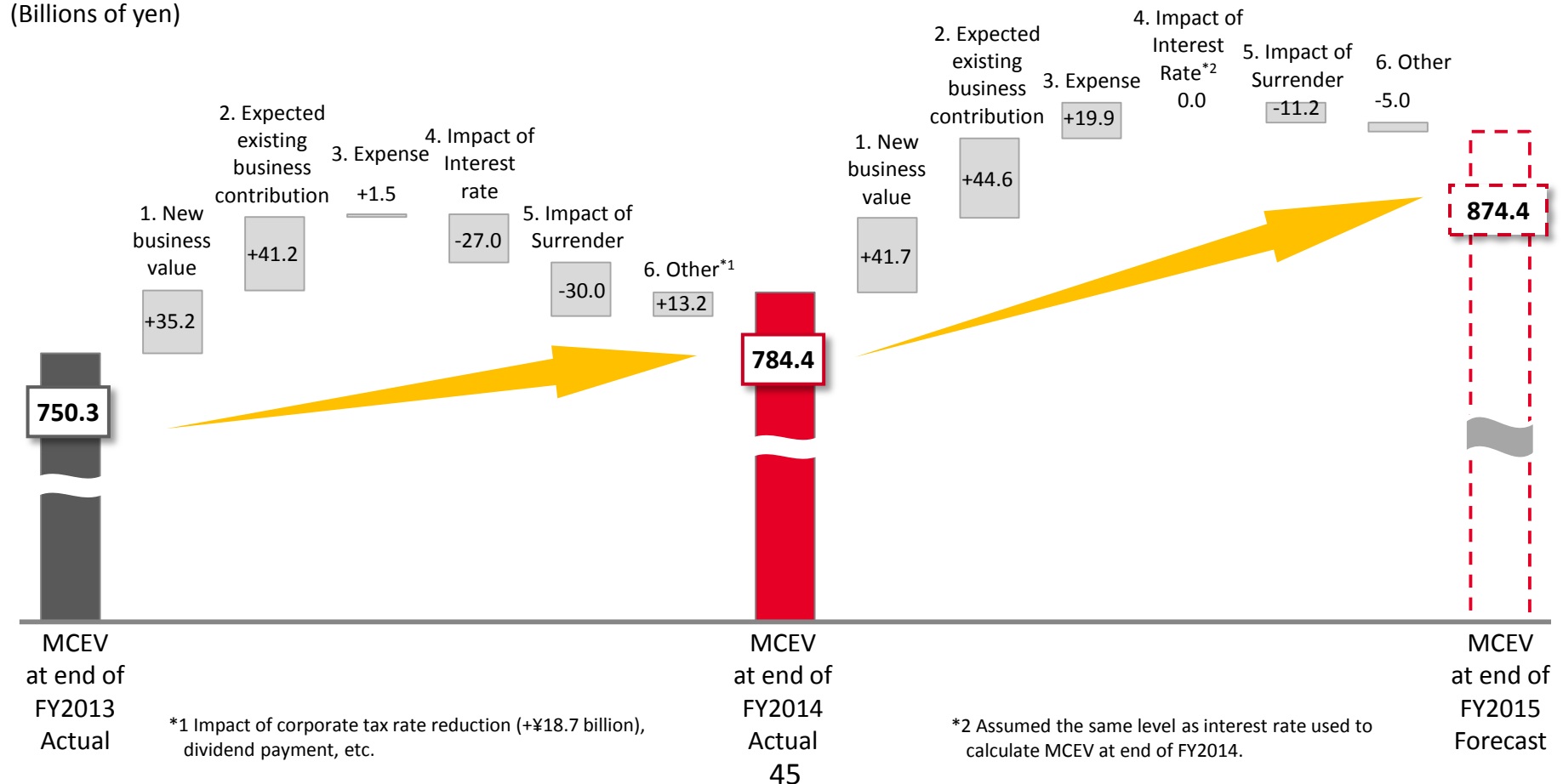
* Number of policies in force

Trends of MCEV

- ◆ While medical insurance sold well in FY2014, low interest rate and surrender rate hike associated with launch of new product had negative impact.
- ◆ MCEV is expected to increase by +¥90 billion in FY2015.
(The difference from initial target of +¥100-110 billion is impact of interest rate, etc.)

Changing factors of MCEV

(Billions of yen)



1. Trend of business results P.5

2. Domestic P&C insurance P.18

3. Domestic life insurance P.38

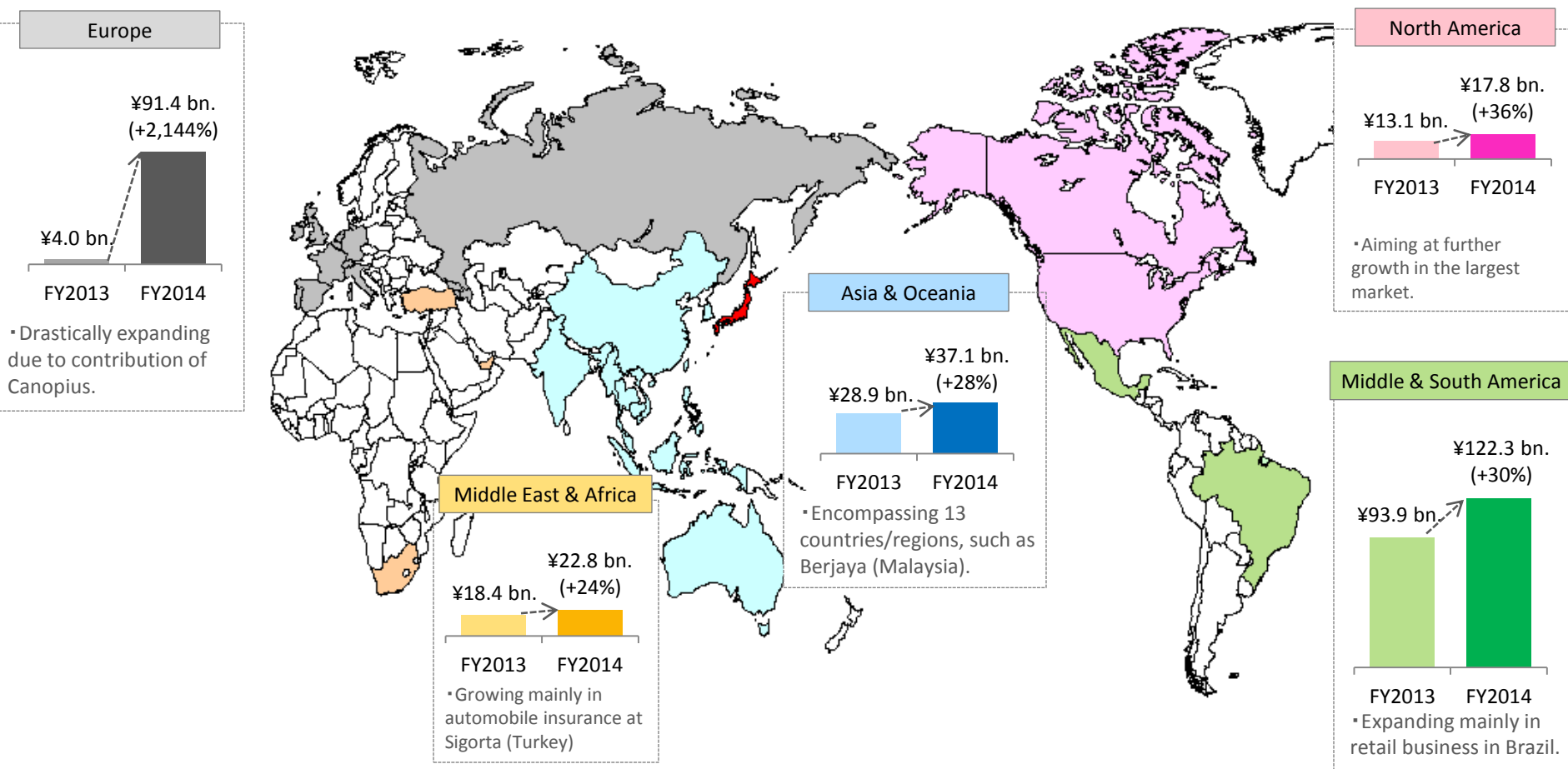
4. Overseas insurance, etc. P.46

5. ERM & Capital policy P.56

Global Expansion

- ◆ Boast a global network encompassing 210 cities in 32 countries and regions, such as Brazil and UK.
- ◆ Aim at further expansion by organic growth and disciplined investments.

Premiums written in each area *1



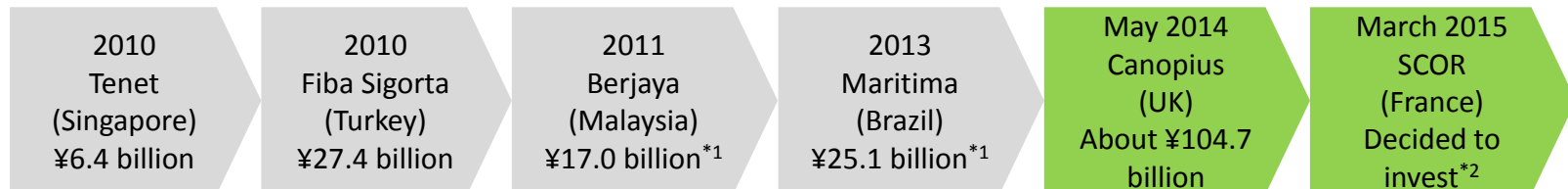
*1 Premiums written are those underwritten only by foreign subsidiaries, and, therefore, do not include those underwritten abroad by Sompo Japan Nipponkoa.

Overseas Investment Strategy

- ◆ By disciplined investments, aim both to grow sustainably and to enhance shareholder value.
- ◆ Aim to steadily expand profits from overseas business through a well-balanced combination of investments in emerging markets, where we can expect growth over the mid to long terms, and in developed markets, where we can expect immediate profit contribution after investments.

Market	Business area	Direction	Target regions		
Emerging countries	Mainly retail	Mid-long term profit contribution	Key regions	Brazil, Turkey, Malaysia	Already ranked around 10 th in the market, aiming to be a major player
			Business platform development regions	Other emerging countries	Prior investment in high opportunity markets
Developed countries	Mainly specialty	Stable profit contribution	US, Europe		

Major M&A since 2010



*1 Cumulative invested capital

*2 Approx. ¥110 billion investment, assuming 15% of voting rights

Business Field

◆ Entered into all areas other than retail in developed countries, strengthening governance and ERM^{*1}.

*1 Established ERM regional center in London to promote unified ERM in US and Europe.

Business field of our group (image)

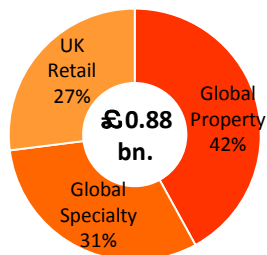
Regions Business Area	Developed countries			Emerging countries			
	Japan	US	Europe	Key regions			Business platform development regions
				Brazil	Turkey	Malaysia	
Retail	Sompo Japan Nipponkoa, etc.	X		Yasuda Maritima	SJ Sigorta	Berjaya	Thai, Indonesia, etc.
Corporate		SJ America	SJNK Europe				
Specialty		Canopus					
P&C reinsurance		SCOR ^{*2}					
Life reinsurance		SCOR ^{*2}					

*2 Decided to invest in March 2015 , and will apply an equity method from FY2016.

(Reference) Performance of Canopus and SCOR

Canopus*1

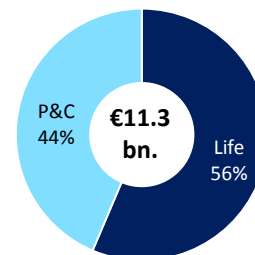
Breakdown of GWP in 2014



By region	
North America	46%
UK	26%
Asia Pacific	8%
Caribbean, South America	6%
Europe	5%
Middle East, Africa	1%
Other	8%

SCOR*2

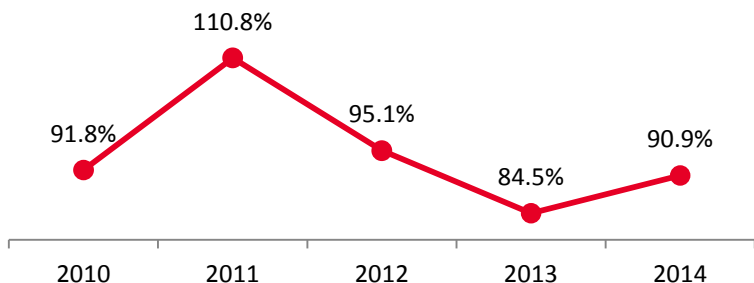
Breakdown of GWP in 2014



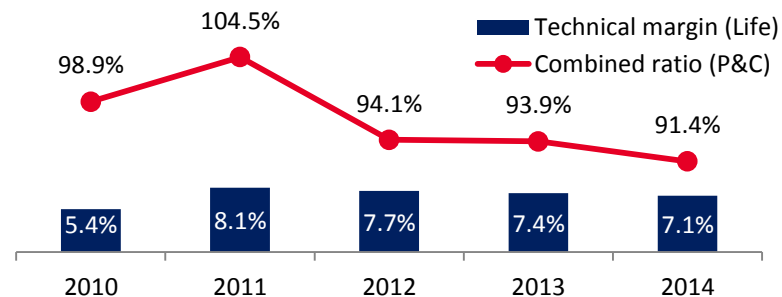
By region (P&C reinsurance)	
EMEA	54%
Americas	27%
Asia Pacific	19%

By region (Life reinsurance)	
EMEA	35%
Americas	52%
Asia Pacific	13%

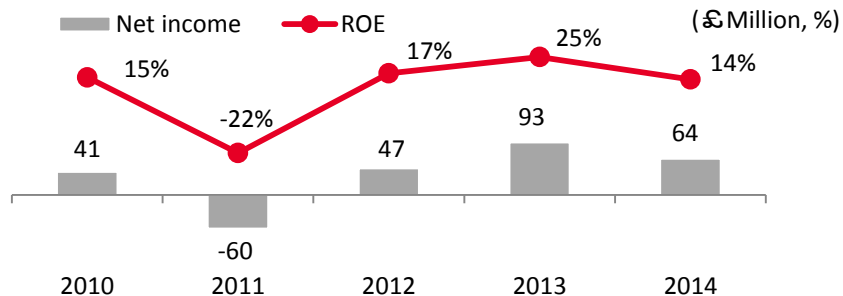
Combined ratio



Combined ratio & Technical margin*3

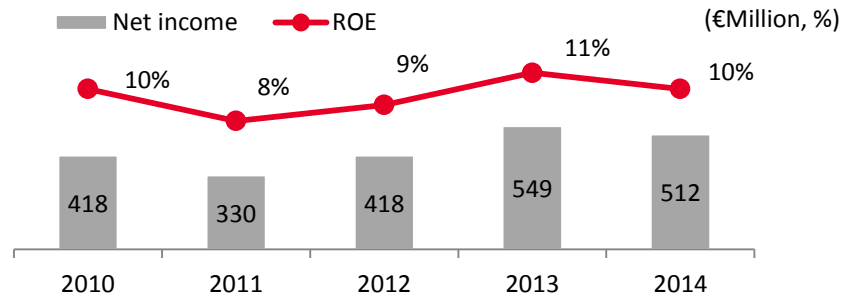


Net income & ROE



*1 Made it a subsidiary in May 2014.

Net income & ROE



*2 Decided to invest in March 2015, and will apply an equity method from FY2016.

*3 Technical margin reflects net underwriting results on an incurred basis, weighted to reflect interest income associated with reinsurance balances receivable.

Overseas Assumed Reinsurance Business

- ◆ Develop the overseas reinsurance business from the viewpoint of ERM including diversifying effect, accumulation risk management, ROR improvement, etc.
- ◆ Optimize the group strategy for assumed reinsurance business, utilizing resources in Canopus.

Strategy for assumed reinsurance business

Business category (Prioritized point)

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

Utilization of Canopus

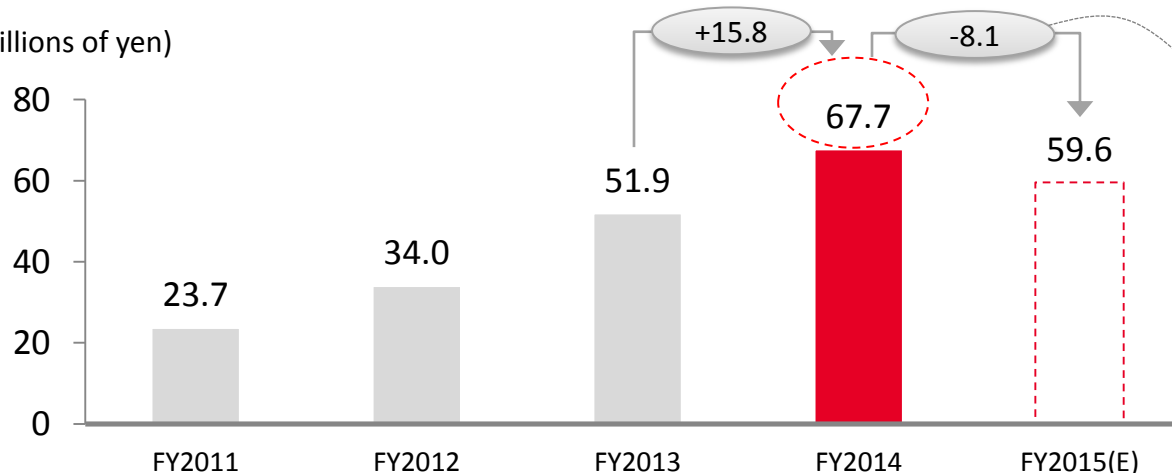
- Optimize the group strategy for assumed reinsurance business by reorganization.

In Sep. 2014, integrated Zurich offices of Sompo Japan Nipponkoa and Canopus.

- Utilize human resources and know-how in Canopus to underwrite risk of overseas natural disasters, etc.

Trends of overseas assumed reinsurance net premiums written

(Billions of yen)



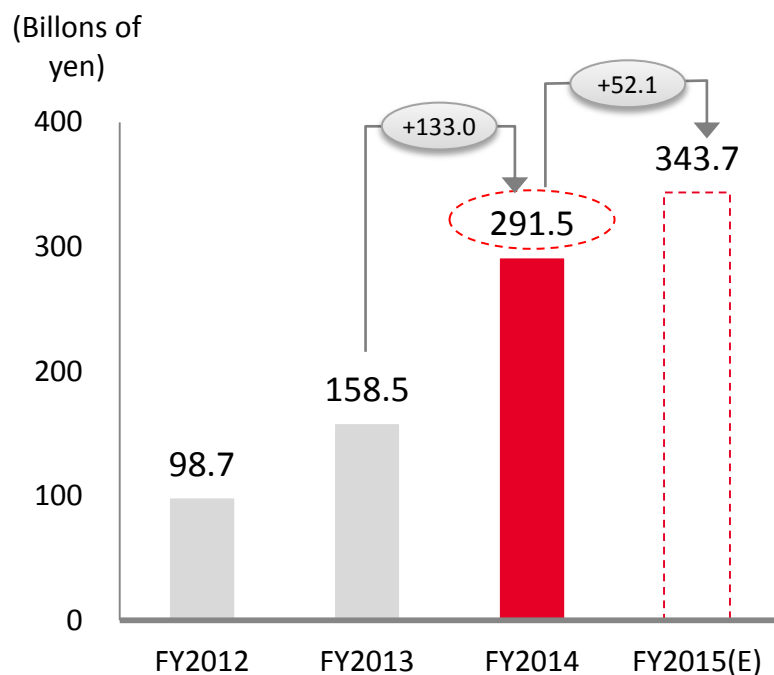
Taking into account change in assumed reinsurance from Canopus and soft market environment.

* Overseas assumed reinsurance net premium written is included in the domestic P&C insurance business for the management numerical targets.

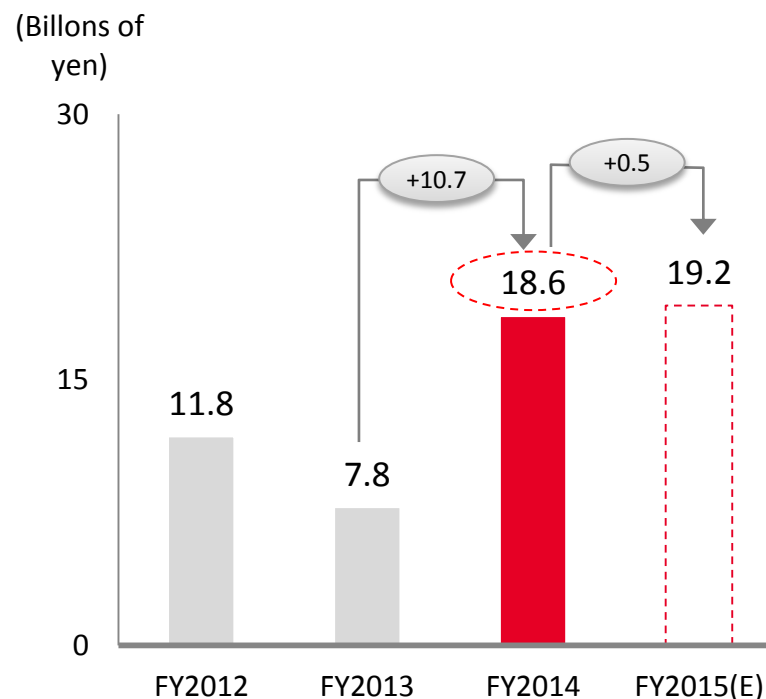
Overview of Business (Net Premiums Written & Net Income)

- ◆ The top-line keeps on increasing trend. The bottom-line has already achieved the target of management plan (¥14-20 billion) in FY2014.

Net premiums written



Net income

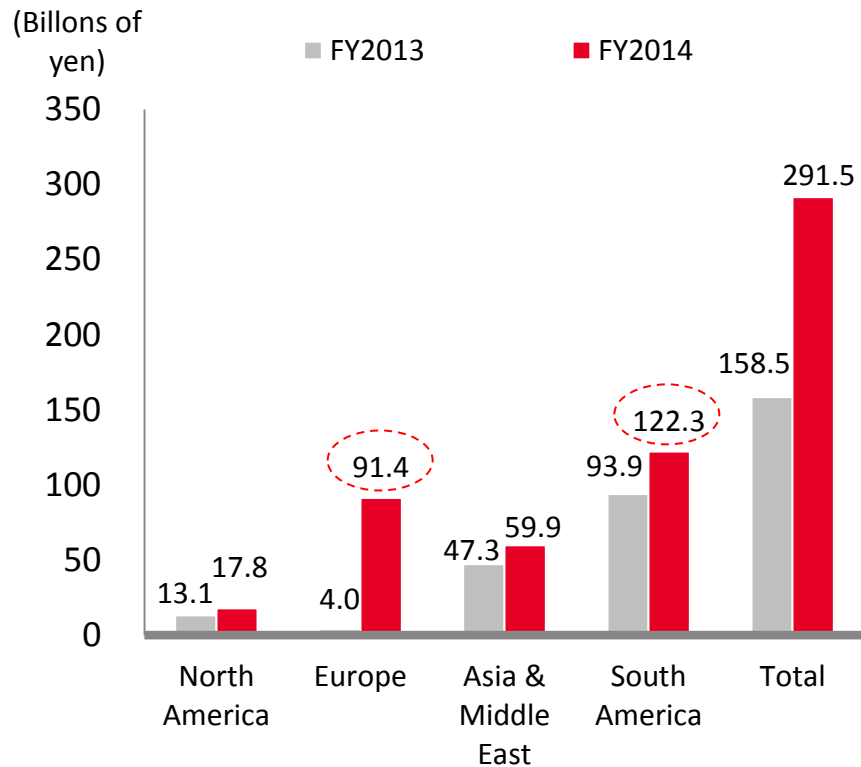


- * Net premiums written of subsidiaries and affiliates reflect holding shares of each company. This treatment does not coincide with financial statements.
 * The net income figure has been adjusted to reflect shareholdings and other factors, and is stated on a different basis from that of the consolidated financial statements.

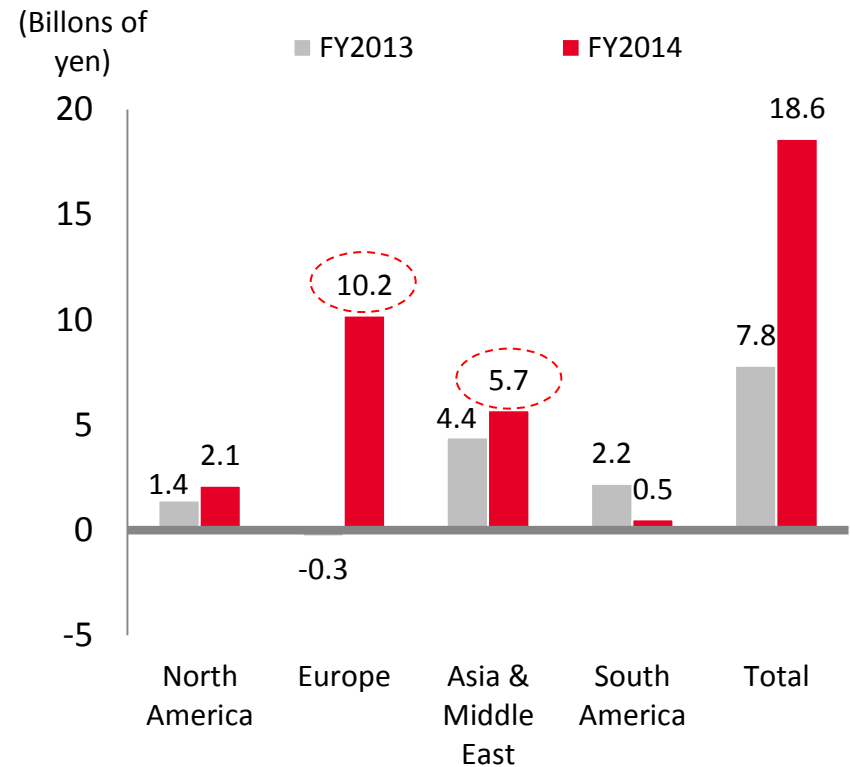
Overview of Business Results by Region

- ◆ Net premiums written increased mainly in Europe and South America, and Europe and Asia & Middle East contributed to net income.

Net premiums written (by region)



Net income (by region)



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

* The net income figure has been adjusted to reflect shareholdings and other factors, and is stated on a different basis from that of the consolidated financial statements.

Business Results by Company

Performance of overseas subsidiaries

(Billions of yen)

		Net premiums written			Net income			Key points in FY2014
		FY2014	Change	FY2015 (Forecast)	FY2014	Change	FY2015 (Forecast)	
North America	SJ America	17.8	+4.7	23.9	2.1	+0.7	2.7	In line with the plan.
Europe	SJNK Europe + NK Europe	4.7	+0.6	5.3	0.3	+0.6	0.4	Loss ratio steadily progressed.
	Canopius (UK)	86.6	+86.6	150.5	9.8	+9.8	9.0	Steadily contributed to profit.
Asia & Middle East	SJ Sigorta (Turkey)	22.8	+4.3	22.5	2.2	+0.2	1.8	Main product, automobile insurance, had good performance.
	Tenet Sompo (Singapore)	9.5	+3.5	8.3	0.9	-2.5	0.8	Expense ratio improved. There was an impact of loss reserve for Thai floods (+¥3.6 bn.) in the previous year.
	Berjaya (Malaysia)	11.8	+2.1	12.5	1.8	+0.3	1.3	Both underwriting profit and investment profit steadily progressed.
	SJNK China + NK China	9.1	+1.4	7.6	0.4	+3.4	0.0	Positive impact from expense reduction.
	SJNK H.K. + NK Asia	4.0	+0.3	4.3	0.2	-0.3	0.6	Impact of loss ratio hike.
	Universal Sompo (India)	2.5	+0.6	3.2	0.1	+0.0	0.1	In line with the plan.
South America	Yasuda Maritima (Brazil)	122.3	+28.3	105.2	0.5	-1.7	2.1	Taking measures to deal with decreasing profit due to rising loss ratio.
Total		291.5	+133.0	343.7	18.6	+10.7	19.2	—

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

* The net income figure has been adjusted to reflect shareholdings and other factors, and is stated on a different basis from that of the consolidated financial statements. (We adjusted Canopius' consolidated profits that had been realized before the completion of the acquisition in May 2014.)

Expansion of Financial and Other Services

- ◆ Develop businesses with the key words of customers' security, health, and wellbeing, which have affinity with insurance business.

7 viewpoints to develop service businesses

1. Market growth potential

2. Competitive environment

3. Business's potential

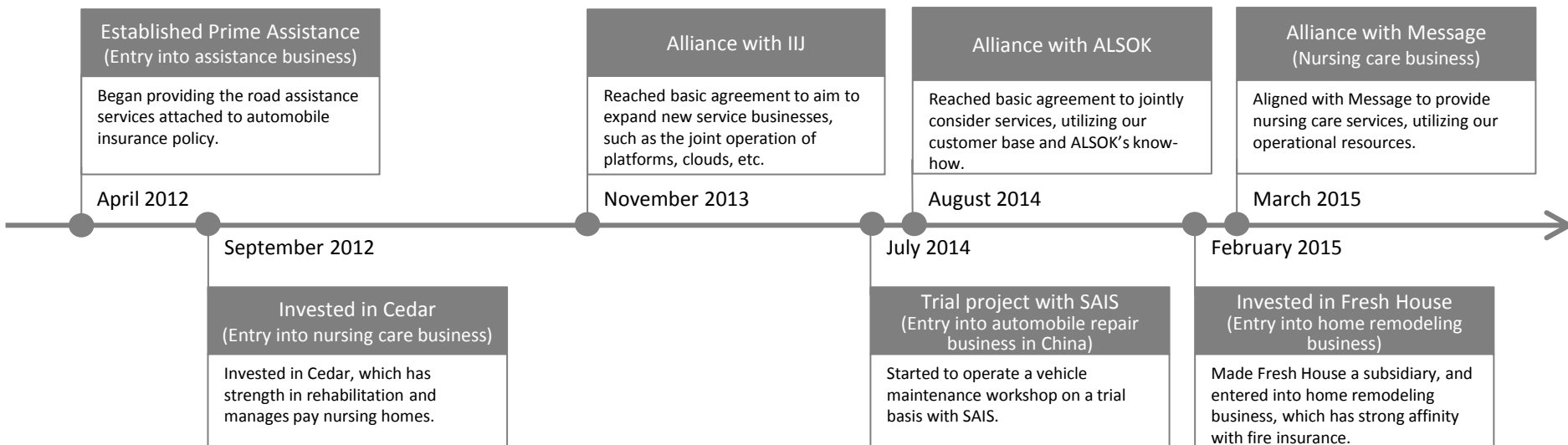
4. Business's profitability

5. Collaboration with main business

6. Differentiation by quality

7. Contribution to society

SOMPO Holdings' service business development



1. Trend of business results P.5

2. Domestic P&C insurance P.18

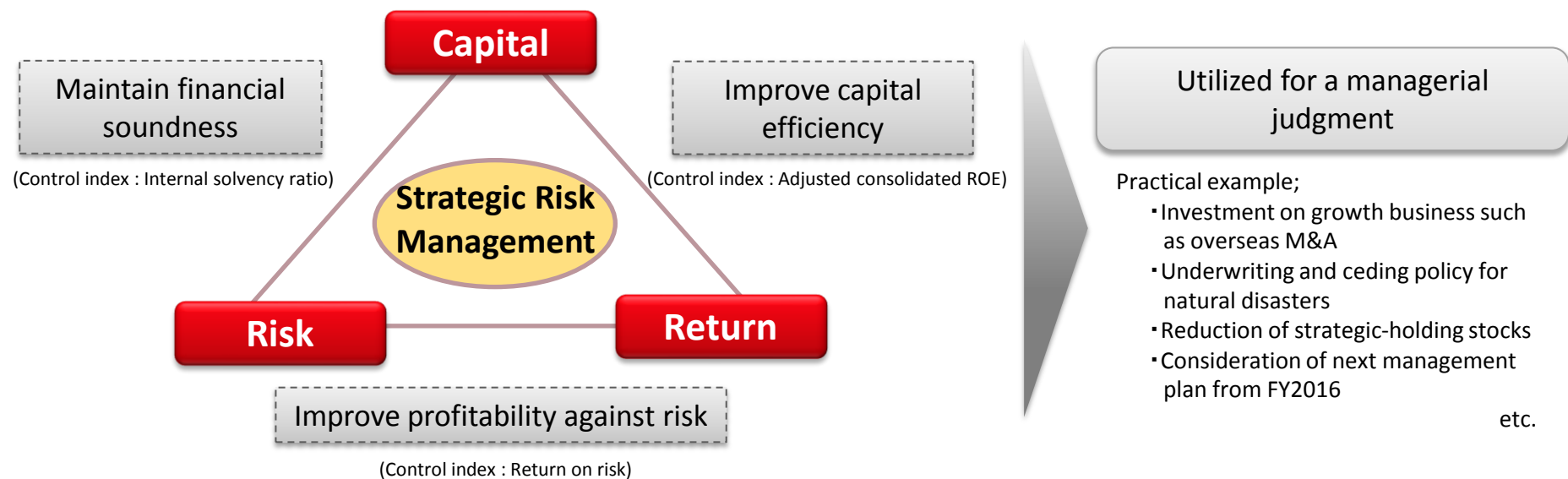
3. Domestic life insurance P.38

4. Overseas insurance, etc. P.46

5. ERM & Capital policy P.56

Strategic Risk Management (ERM)

- ◆ Promote Strategic Risk Management (ERM) which is mixture of business strategy and risk management.
- ◆ Aim to maximize the corporate value based on Risk Appetite Principles by controlling the balance among capital, return and risk appropriately.



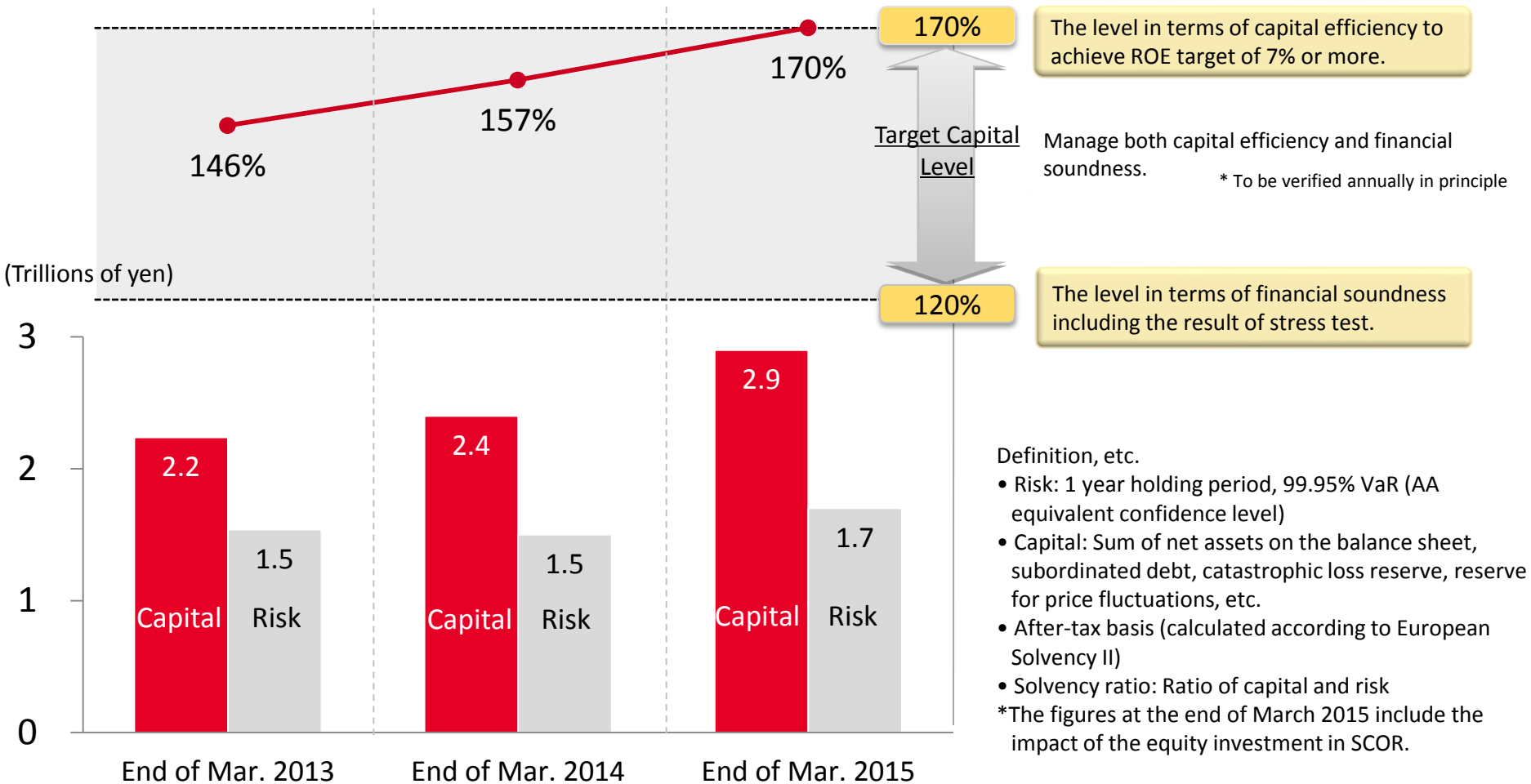
Risk Appetite Principles

- (1) Become a globally competitive group, maximize corporate value by controlling the balance among capital, return and risk appropriately and improving capital efficiency.
- (2) Gain greater profit by taking risks via financial and other services in addition to insurance underwriting and investment.
- (3) Retain competitiveness among global insurers by maintaining financial soundness with a target credit rating of AA.
- (4) Maintain the stable return ensuring group's sustainable growth. Targeted adjusted ROE for FY2015 is over 7 % on consolidated basis.

Financial soundness – Internal solvency ratio

◆ Financial soundness is steadily improving.

Internal solvency ratio



Definition, etc.

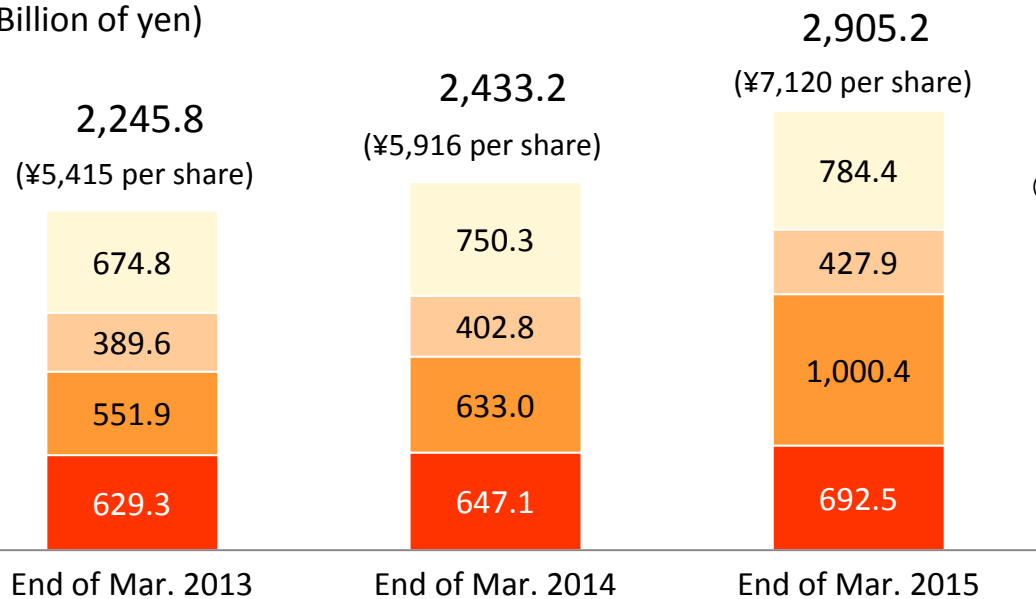
- Risk: 1 year holding period, 99.95% VaR (AA equivalent confidence level)
- Capital: Sum of net assets on the balance sheet, subordinated debt, catastrophic loss reserve, reserve for price fluctuations, etc.
- After-tax basis (calculated according to European Solvency II)
- Solvency ratio: Ratio of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

*The figures at the end of March 2015 include the impact of the equity investment in SCOR.

(Reference) Adjusted consolidated net assets

Trend of adjusted consolidated net assets

(Billion of yen)



(Reference) Adjusted consolidated net assets and J-GAAP net assets

	(Billions of yen)	
	Adjusted consolidated net assets	J-GAAP net assets
End of Mar. 2015		
P&C	2,120.8	1,692.9
Life	784.4	128.6
Total	2,905.2	1,821.5

■ Life EV

■ Catastrophic loss reserve, etc. *1

■ Unrealized gains (excluding life) *2

■ Consolidated net assets (excluding Life subsidiary's net assets and unrealized gains (excluding life))

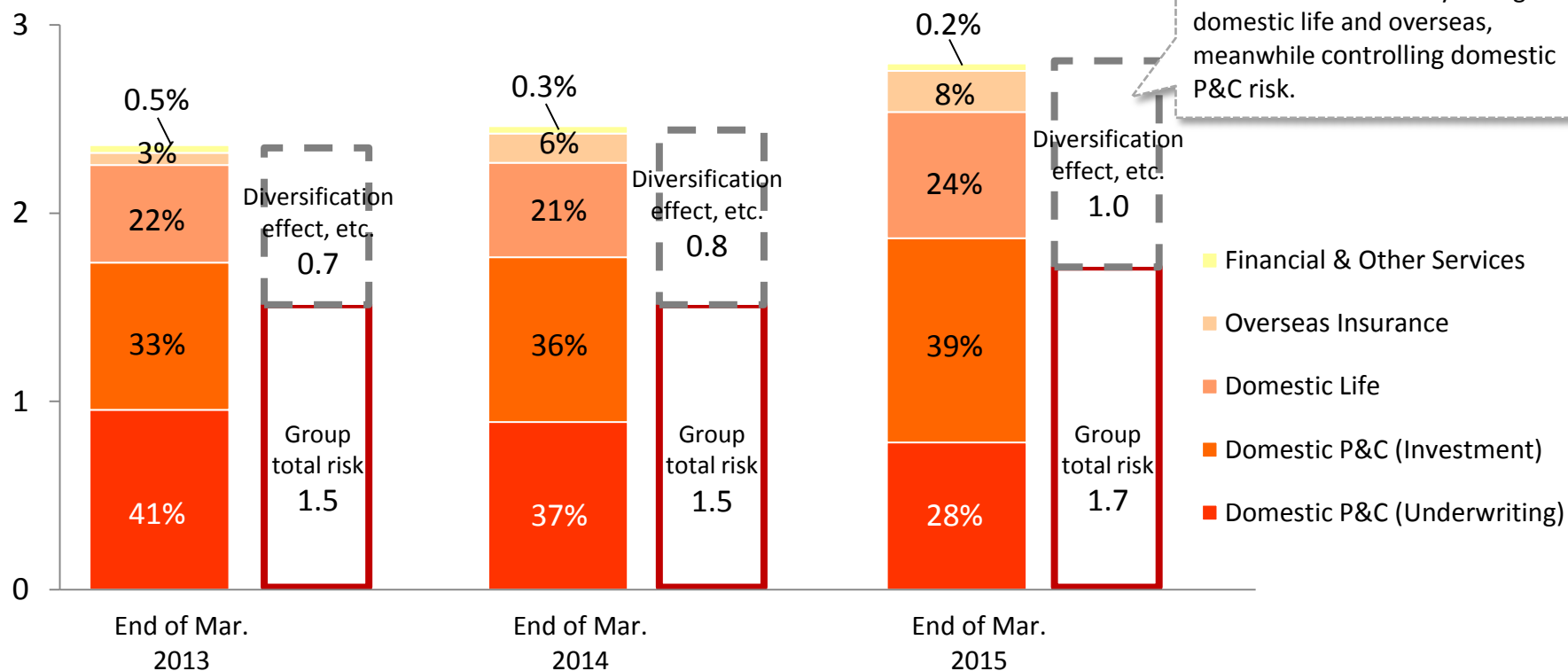
*1 Catastrophic loss reserve, etc. is the total of catastrophic loss reserve after tax plus price fluctuation reserve after tax.

*2 Unrealized gains (excluding life) is unrealized gain / loss on securities for available for sale after tax, excluding life.

(Reference) Breakdown of Risk

Breakdown of risk by business

(Trillions of yen)



(Definition, etc.) Risk amount of each business:

99.95% VaR before reflecting risk diversification effect among businesses and before-tax basis.

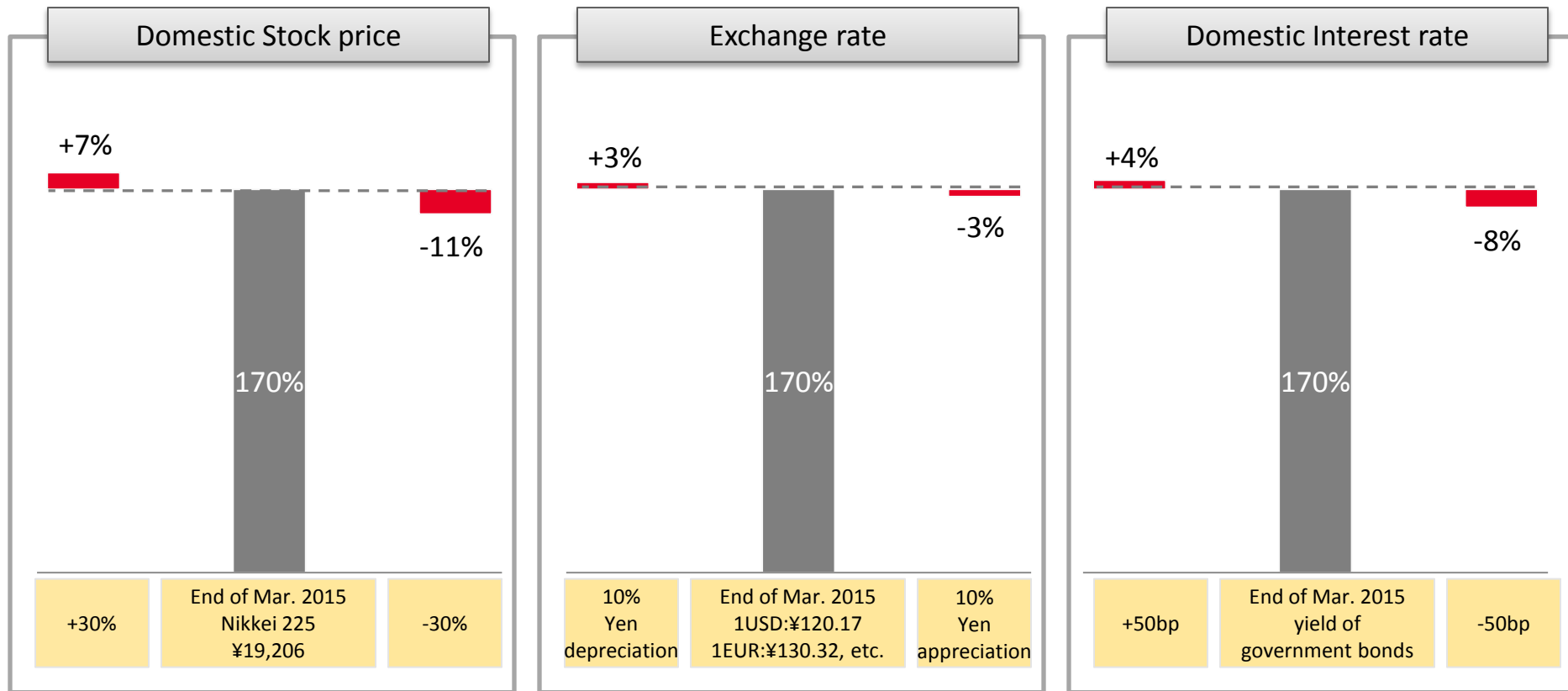
Group total risk:

Sum of risk amount of each business less risk diversification effect among businesses and tax impact.

(Reference) Market Sensitivity

Market sensitivity of internal solvency ratio

■ : Internal solvency ratio ■ : Change

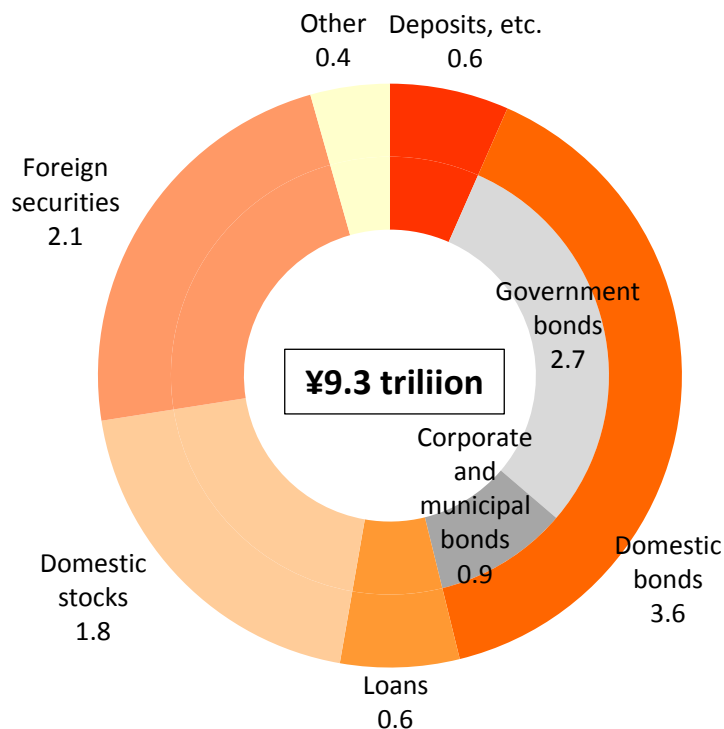


Asset Portfolio (Group-wide)

- ◆ Aim at stable investment profit through the ALM, considering the character of liability and liquidity.
- ◆ Continue to sell the domestic stocks according to the plan for reduction of strategic-holding stocks.

Amount of investment assets (Group consolidated base, as of end of March 2015)

By asset class



By company

	Amount of investment assets (billion of yen)	Composition
Sompo Japan Nipponkoa (consolidated)	6,347.3	68.1%
Himawari Life (consolidated)	2,227.5	23.9%
Overseas group subsidiaries	670.2	7.2%
Saison automobile & fire	38.1	0.4%
Sonpo 24	20.6	0.2%
Other domestic subsidiaries	10.5	0.1%
Total	9,314.5	100%

* Other includes lands, buildings and stocks of non-consolidated subsidiaries, etc.

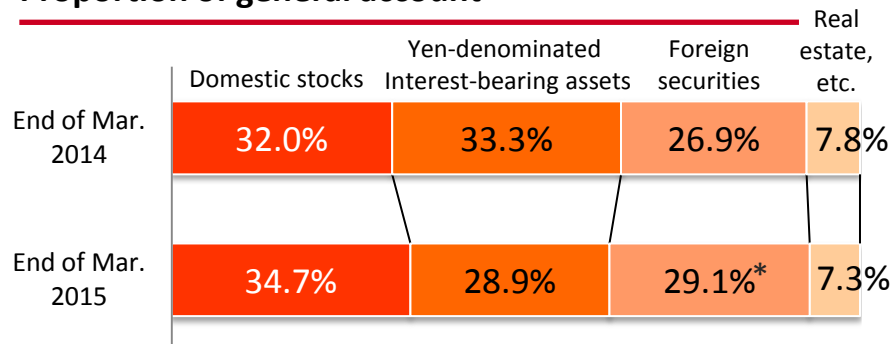
Asset Portfolio (Sompo Japan Nipponkoa, non-consolidated)

- ◆ The general account is managed with diversified investments while the saving-type account utilizes portfolio management based on ALM.

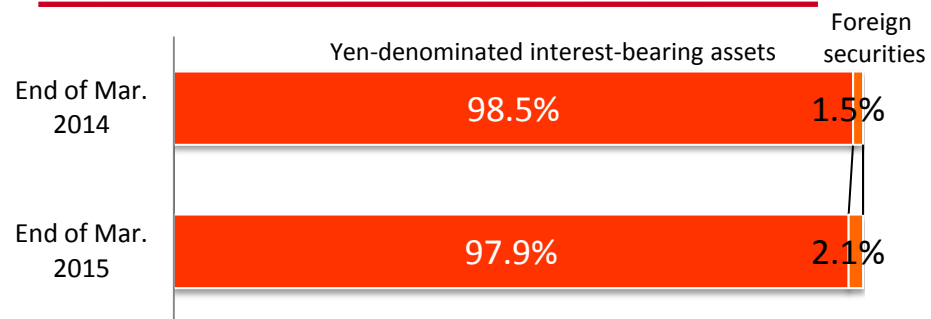
Amount of investment assets (Sompo Japan Nipponkoa, non-consolidated)



Proportion of general account



Proportion of saving-type account



* Breakdown of foreign securities (foreign currencies) (End of Mar. 2015)

	USD	EUR	Others	Total
Bonds	27%	14%	10%	51%
Funds, etc.	23%	0%	4%	27%
Subsidiaries, affiliates	4%	3%	16%	23%
Total	53%	17%	30%	100%

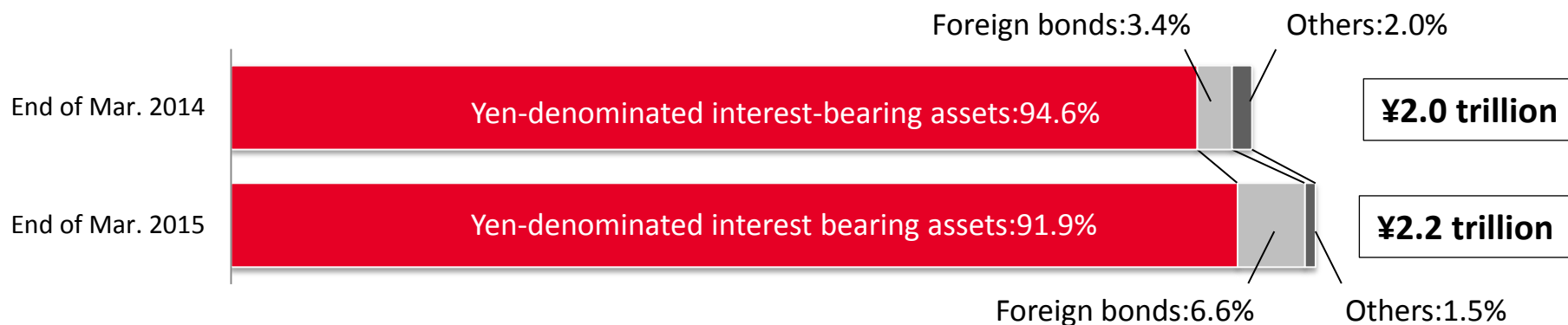
Asset/Liability Duration (Saving-type)

	End of Mar. 2014	End of Mar. 2015
Asset	4.8y	4.5y
Liability	6.1y	6.2y

Asset Portfolio (Himawari Life, non-consolidated)

- ◆ Maintained a conservative asset portfolio, which mainly consists of yen-dominated interest-bearing assets.

Amount of investment assets (Himawari Life, non-consolidated)



Asset/Liability Duration

	End of Mar. 2014	End of Mar. 2015
Asset	12.9y	13.2y
Liability	16.4y	19.0y

(Note) Duration is adjusted based on the difference of amount balance of asset and liability to control duration gap appropriately.

Reducing strategic-holding stocks

- ◆ Reduction of strategic-holding stocks progressed in line with plan, and amounted to ¥490 billion for 3 years in total.

Net reduction in FY2014 *1

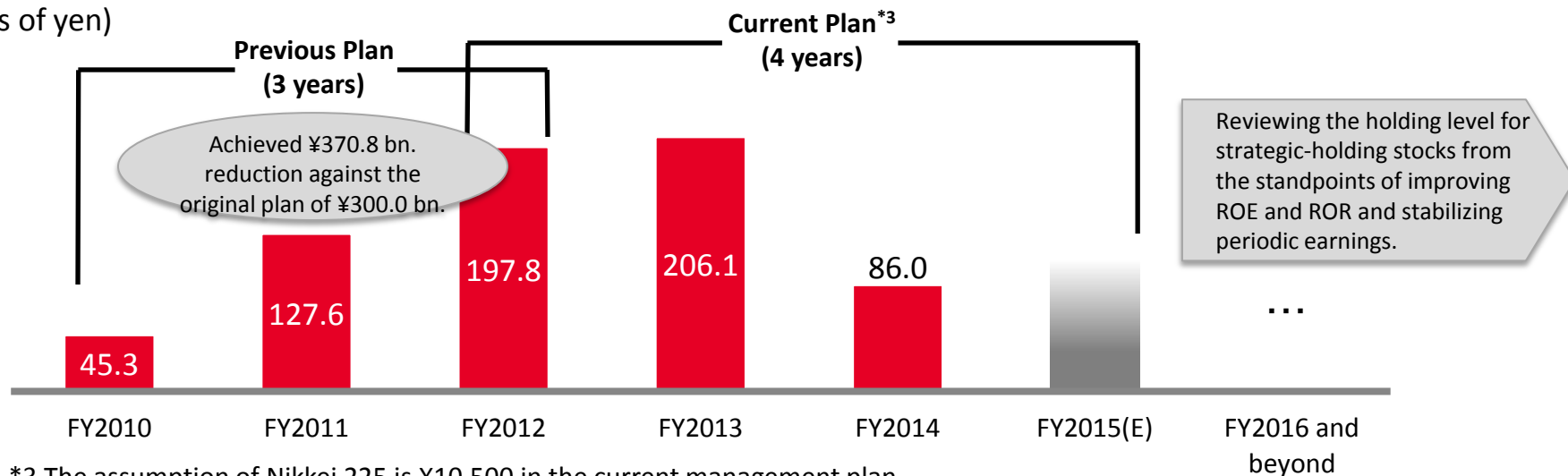
	Actual	Stock Futures*2	Total
Sompo Japan Nipponkoa	¥86.0 billion	-	¥86.0 billion

*1 Net reduction means “market value of sales minus market value of purchase.”
Excluding the cancellation of preferred shares of ¥30 billion, etc.

*2 Short position of Nikkei 225 Futures.

Progress of the plan for reduction of strategic-holding stocks

(Billions of yen)



*3 The assumption of Nikkei 225 is ¥10,500 in the current management plan.

Shareholder Return

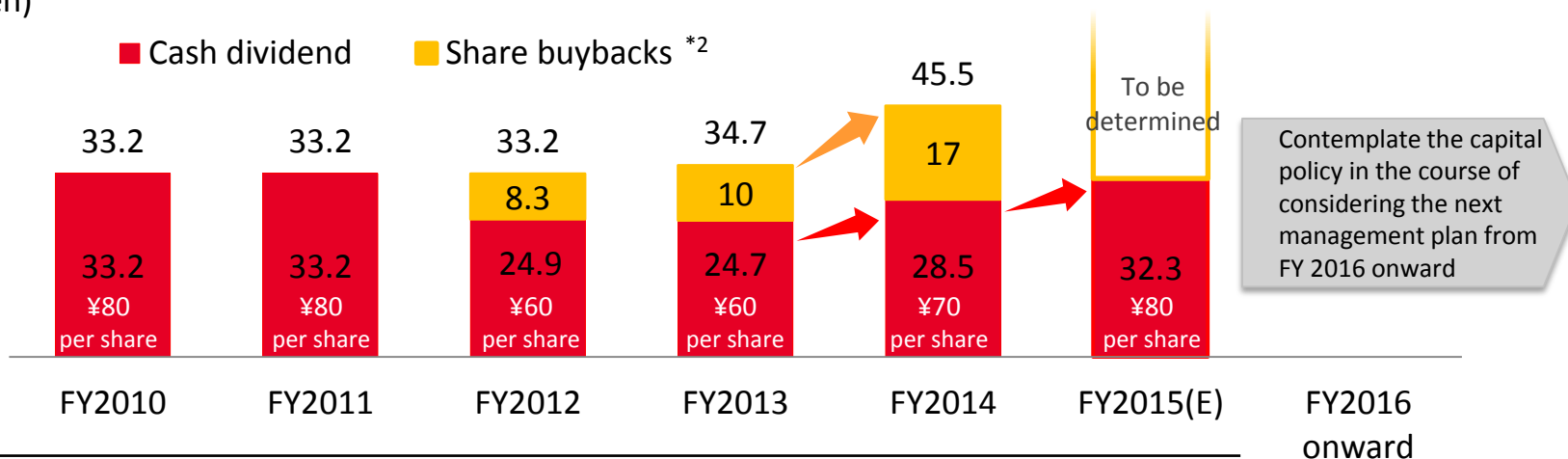
- ◆ Dividend per share will be increased by ¥10 to ¥70 in FY2014, and is forecast to be increased to ¥80 in FY2015 for the 2nd consecutive year.
- ◆ Share buyback reflecting FY2014 performance will be ¥17 billion (up 70% from the previous year)

(Shareholder return policy) • While maintaining a stable dividend, we consider flexible share buybacks according to capital condition and other factors.

• We target a total shareholder return ratio of 50%*¹ over the medium term.

Trend of total shareholder returns

(Billion of yen)



Contemplate the capital policy in the course of considering the next management plan from FY 2016 onward

(Reference)

Adjusted consolidated profit, excluding domestic life

Adjusted consolidated profit, excluding domestic life	¥21.0bn	- ¥98.7 bn.	¥3.7 bn.	¥15.8 bn.	¥90.8 bn.	¥138.0 bn.
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Total payout ratio*¹

Total payout ratio* ¹	159%	NA	885%	219%	50%	—
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*1 Shareholder return ratio : (Cash dividend + Share buybacks)/Adjusted consolidated profit excluding domestic life

*2 Share buyback reflecting the annual performance is conducted in next fiscal year. (Share buyback reflecting FY2014 performance (¥17 billion) will be conducted in FY2015.)

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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