

Highlights of FY2018 Results

May 20, 2019
Sompo Holdings, Inc.



- Hello. I'm Osamu Nose, Head of Investor Relations and Finance Department at Sompo Holdings.
- Thank you for participating in our conference call today.
- I would like to go through our business results for FY2018 and our business forecasts for FY2019 focused on numerical data.
- In our presentation for analysts scheduled to be held next week, Sompo Holdings' management team, including the CEO, will discuss the Company's management strategy for the second half of the current Mid-Term Management Plan.
- Let's now turn to page 2.

Table of Contents

Highlights of FY2018 results	2	(Reference) Domestic natural disasters	26
1. Consolidated financial results		(Reference) Fund and reserve	27
Overview of FY2018 results – consolidated basis	4	3. Overseas insurance	
Main points of consolidated results – (1) Underwriting profit	5	Overview of FY2018 results – Overseas insurance	29
Main points of consolidated results – (2) Investment profit	6	Business results by region	30
Main points of consolidated results – (3) Ordinary profit	7	(Reference) Business results by company	31
Main points of consolidated results – (4) Net income	8	(Reference) Overview of business results of SI (1)	32
Business forecasts for FY2019 – consolidated basis	9	(Reference) Overview of business results of SI (2)	33
Main points of business forecasts for FY2019	10	4. Domestic life insurance	
Breakdown of business forecasts for FY2019	11	Overview of FY2018 results – Himawari Life	35
(Reference) Historical progress rates of quarterly results	12	Net income (J-GAAP) – Himawari Life	36
(Reference) Numerical management targets, etc.	13	(Reference) Adjusted profit and adjusted net assets – Himawari Life	37
2. Domestic P&C insurance		(Reference) MCEV	38
Overview of FY2018 results – Sompo Japan Nipponkoa	15	5. Nursing care & healthcare, etc.	
Net premiums written	16	Overview of FY2018 results – Nursing care & healthcare, etc.	40
Loss ratio (W/P)	17	(Reference) Major Indicators of SOMPO Care	41
Loss ratio (E/I)	18	6. ERM & asset management	
Net expense ratio	19	Financial soundness – ESR (99.5% VaR)	43
Combined ratio	20	(Reference) Breakdown of adjusted capital and risk	44
Investment profit	21	Asset portfolio – Group-wide	45
(Reference) Breakdown of investment profit	22	Asset portfolio – Sompo Japan Nipponkoa	46
Business forecasts for FY2019 – Sompo Japan Nipponkoa	23	Asset portfolio – SI	47
Assumption of business forecasts for FY2019	24	Asset portfolio – Himawari Life	48
(Reference) Related indicators of automobile insurance	25		

* SI stands for Sompo International(hereafter).

Highlights of FY2018 Results



- ◆ Consolidated ordinary profit for FY2018 increased by ¥57.0 billion to ¥198.9 billion, mainly due to accelerate reduction of strategic-holding stocks, while impact from domestic natural disasters. Consolidated net income for FY2018 increased by ¥6.8 billion, partly due to the rebound of a decrease in tax expenses in connection with the reorganization of SI, etc. in FY2017.
- ◆ Consolidated ordinary profit and consolidated net income in FY2019 are expected to increase to a record-high based on normalization of the impact from domestic natural disasters and growth in overseas insurance business.

FY2018 Actual

- Sompo Japan Nipponkoa : Ordinary profit increased by ¥40.3 billion, mainly due to accelerate reduction of strategic-holding stocks, while impact from domestic natural disasters. Consolidated net income increased by ¥5.6 billion, partly due to the rebound of one-time factors.
- Overseas insurance : Net income increased by ¥31.7 billion, mainly due to the rebound of the impact of hurricanes in North America.
- Himawari life : Net income increased by ¥7.2 billion, mainly due to growth in premium and other income and decrease in provision for policy reserve.
- Nursing care (SOMPO Care) : Net income increased as planned based on an improving occupancy rate.

FY2019 Forecast

- Consolidated ordinary profit is expected to increase by ¥51.0 billion based on normalization of the impact from domestic natural disasters and growth in overseas insurance business.
- Consolidated net income plan to increase by ¥21.3 billion to a record-high ¥168.0 billion.

Shareholder Return

- Management approved increase in dividend per share for the sixth consecutive year (including FY2019 forecast) and share buy back of ¥33.5 billion. (Total payout ratio in FY2018 was 72%.)

- This is highlights of FY2018 results.
- Following on from FY2017, the frequent occurrence of natural disasters around the world in FY2018 weighed on domestic P&C business and overseas insurance business.
- On the other hand, at Sompo Japan Nipponkoa, the planned annual reduction of ¥100bn in strategic shareholdings was accelerated. This resulted in an increase of ¥58bn in disposed shares and offset the hit to earnings from natural disasters.
- As a result, consolidated ordinary profit for FY2018 increased by ¥57.0 billion to ¥198.9 billion and consolidated net income increased to ¥146.6 billion.
- In FY2019, consolidated ordinary profit is projected to increase to ¥250.0 billion and consolidated net income plans to increase to a record-high ¥168.0 billion, based on normalization of the impact from domestic natural disasters, etc.
- Looking at the shareholder returns announced today in more detail, our management has approved share buybacks of ¥33.5 billion, bringing the total payout ratio in FY2018 to 72%. In addition, our annual dividend for FY2019 is forecast at ¥150 per share in our earnings report. This dividend forecast represents a dividend increase for the sixth consecutive year, with maintaining the pace of dividend increases at ¥20 per share.
- Please turn to page 4.

1. Consolidated financial results

2. Domestic P&C insurance

3. Overseas insurance

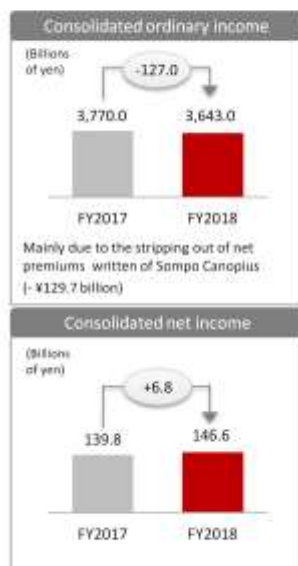
4. Domestic life insurance

5. Nursing care & healthcare, etc.

6. ERM & asset management

Overview of FY2018 Results – Consolidated Basis

- ◆ While offsetting net incurred loss related to domestic natural disasters with net reversal of catastrophic loss reserve and acceleration in reduction of strategic-holding stock, consolidated ordinary profit increased by ¥57.0 billion to ¥198.9 billion and consolidated net income increased by ¥6.8 billion to ¥146.6 billion.



(Billions of yen)	FY2017	FY2018	Change
Consolidated ordinary income	3,770.0	3,643.0	-127.0 (-3.4%)
Net premiums written (P&C)	2,854.7	2,718.1	-136.5 (-4.8%)
Life insurance premiums	346.9	349.6	+2.6 (+0.8%)
Consolidated ordinary profit	141.8	198.9	+57.0
Sampo Japan Nipponkoa	175.2	215.5	+40.3
Overseas insurance subsidiaries	-36.6	-5.8	+30.8
Himawari Life	12.7	23.2	+10.5
Nursing care (SOMPO Care ^{*1})	3.4	5.8	+2.3
Consolidated adjustment ^{*2} /Others	-12.8	-39.8	-27.0
Consolidated net income ^{*3}	139.8	146.6	+6.8
Sampo Japan Nipponkoa ^{*4}	170.0	175.7	+5.6
Overseas insurance subsidiaries	-37.8	-6.1	+31.7
Himawari Life	8.1	15.3	+7.2
Nursing care (SOMPO Care ^{*1})	2.9	4.3	+1.3
Consolidated adjustment ^{*2} /Others	-3.4	-42.7	-39.2
(Reference) Adjusted profit (by business)	162.7	113.5	-49.1
Domestic P&C insurance	85.3	42.3	-42.9
Overseas insurance	44.0	33.0	-10.9
Domestic life insurance	29.2	32.8	+3.6
Nursing care & healthcare, etc.	4.1	5.2	+1.1

^{*1} FY2017 (Actual) was sum of former SOMPO Care and SOMPO Care Next. (The same shall apply hereafter.)

^{*2} "Purchase method" accounting was adopted upon the establishment of Sampo Holdings. The figures therefore include adjustments for gains/losses on sales, etc.

^{*3} Consolidated net income denotes net income (loss) attributable to shareholders of the parent. (The same shall apply hereafter.)

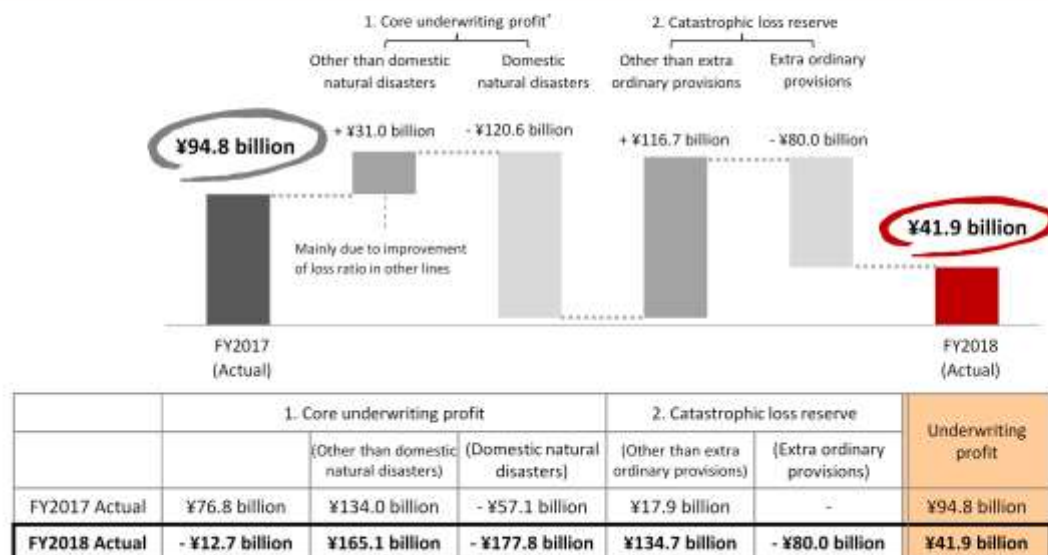
^{*4} One-time factor on Sampo Japan Nipponkoa in FY2017 (a decrease in tax expenses in connection with the reorganization of SI, etc.) was counted in adjusted profit on the overseas insurance business.

- This page shows an overview of our consolidated results for FY2018.
- In the following pages, I will discuss the main factors behind these results.
- Please turn to page 5.

Main Points of Consolidated Results – (1) Underwriting Profit

- ◆ Core underwriting profit excluding the impact of domestic natural disasters progressed steadily, while extra ordinary provisions for catastrophic loss reserve (¥80.0 billion).

Changing factors of underwriting profit (Sompo Japan Nipponkoa)



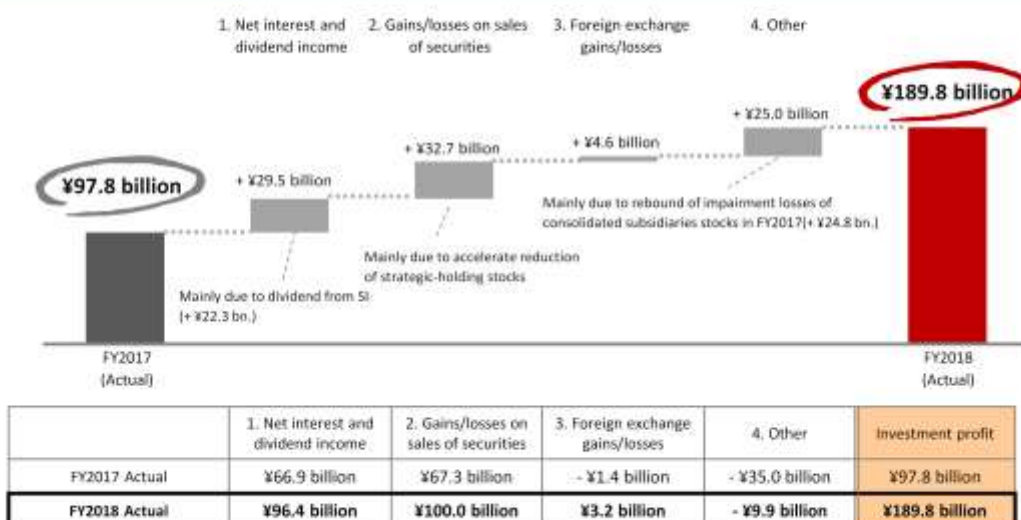
* Core underwriting profit is underwriting profit less the impact related to catastrophic loss reserve.

- This page shows the status of underwriting profit of Sompo Japan Nipponkoa.
- The impact of domestic natural disasters was large, but core underwriting profit excluding the impact of domestic natural disasters increased by ¥31.0 billion, mainly due to steady growth in other lines.
- For your information, underwriting profit decreased by ¥52.8 billion to ¥41.9 billion, partly due to extra ordinary provisions for catastrophic loss reserve (¥80.0 billion).
- Please turn to page 6.

Main Points of Consolidated Results – (2) Investment Profit

- ◆ Investment profit increased by ¥91.9 billion to ¥189.8 billion, mainly due to accelerate reduction of strategic-holding stocks.

Changing factors of investment profit (Sompo Japan Nipponkoa)

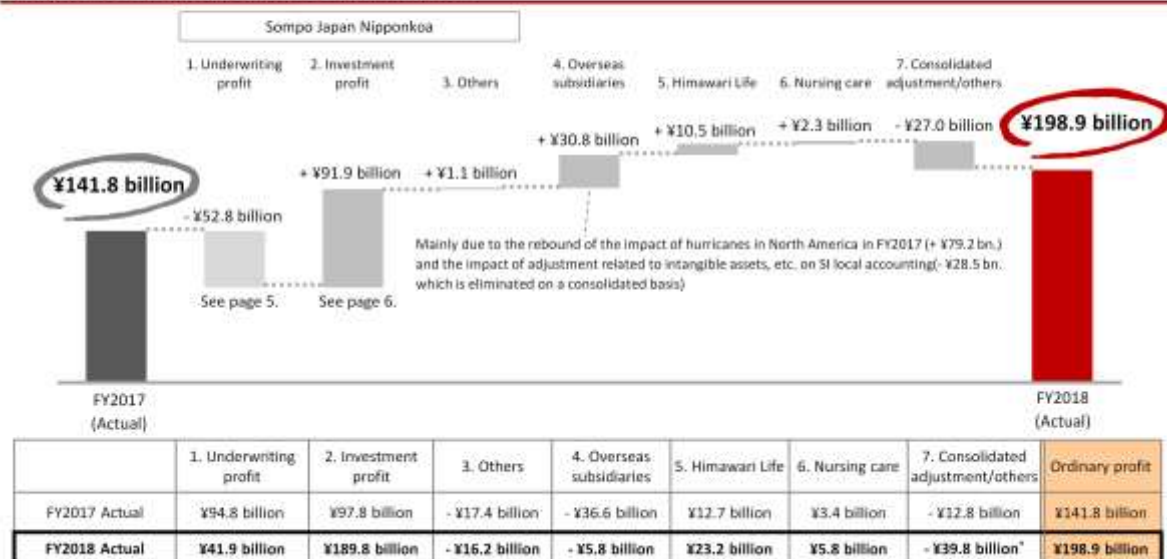


- This page shows investment profit of Sompo Japan Nipponkoa.
- The investment profit increased by ¥91.9 billion to ¥189.8 billion, mainly due to an increase in gains on security sales with accelerating reduction of strategic-holding stocks in addition to factors already reflected in our business forecasts for FY2018.
- Please turn to page 7.

Main Points of Consolidated Results – (3) Ordinary Profit

- ◆ Consolidated ordinary profit increased by ¥57.0 billion to ¥198.9 billion, due to offsetting net incurred loss related to domestic natural disasters with net reversal of catastrophic loss reserve, and an increase in investment profit as well as the rebound of the impact of hurricanes in North America in FY2017.

Changing factors of consolidated ordinary profit



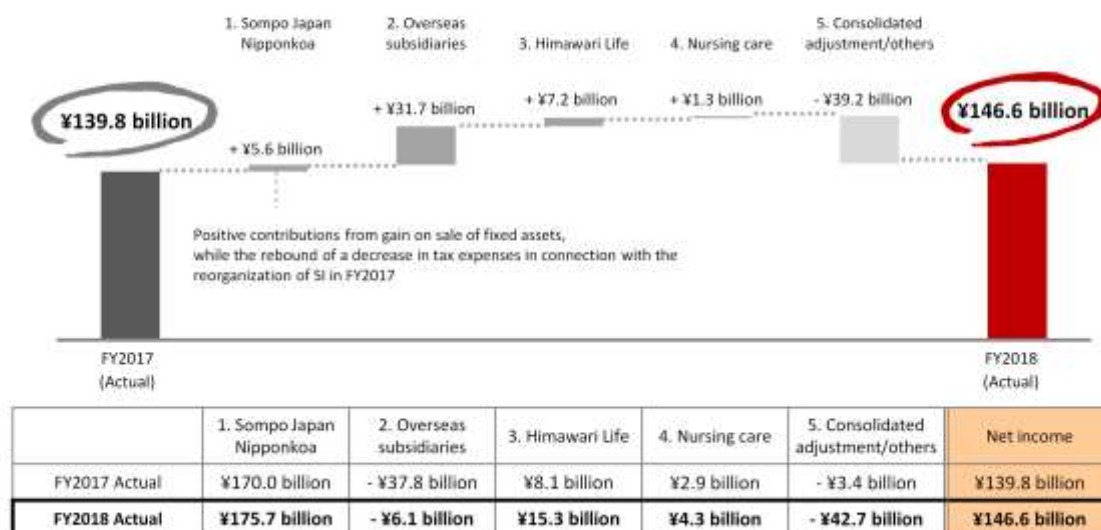
* Net amortization amount (before tax) of goodwill and intangible assets, etc. of SI for FY2018: ¥25.7 billion.

- This page shows consolidated ordinary profit.
- Consolidated ordinary profit increased by ¥57.0 billion to ¥198.9 billion, mainly due to the rebound of the impact of hurricanes in North America, etc. in overseas insurance business in FY2017 and steady growth in policies in force of Himawari Life, in addition to the underwriting profit and the investment profit we have mentioned.
- Please turn to page 8.

Main Points of Consolidated Results – (4) Net Income

- ◆ Consolidated net income increased by ¥6.8 billion to ¥146.6 billion.

Changing factors of consolidated net income



8

- This page shows consolidated net income.
- Looking at special factors, at the consolidated net income level, there was the rebound of a decrease in tax expenses in connection with the reorganization of SI that was recognized by Sampo Japan Nipponkoa in FY2017, while the impact from gain on sale of fixed assets was positive.
- As a result, consolidated net income increased by ¥6.8 billion to ¥146.6 billion.
- Please turn to page 9.

Business Forecasts for FY2019 – Consolidated Basis

(Billions of yen)	FY2018 (Actual)	FY2019 (Forecasts)	Change
Net premiums written (P&C)	2,718.1	2,820.0	+101.8 (+3.7%)
Life insurance premiums	349.6	363.0	+13.3 (+3.8%)
Consolidated ordinary profit	198.9	250.0	+51.0
Sompo Japan Nipponkoa	215.5	226.0	+10.4
Overseas subsidiaries	-5.8	68.5	+74.3
Himawari Life	23.2	24.2	+0.9
Nursing care (SOMPO Care)	5.8	7.1	+1.2
Consolidated adjustment/others	-39.8	-75.8	-35.9
Consolidated net income	146.6	168.0	+21.3 (+14.6%)
Sompo Japan Nipponkoa	175.7	163.0	-12.7
Overseas subsidiaries	-6.1	58.3	+64.4
Himawari Life	15.3	16.0	+0.6
Nursing care (SOMPO Care)	4.3	4.3	-0.0
Consolidated adjustment/others	-42.7	-73.7	-31.0
Consolidated net income per share (Yen)	392	451	+58
(Reference) Adjusted profit (by business)	113.5	185.0	+71.4 (+62.9%)
Domestic P&C insurance	42.3	86.5	+44.1
Overseas insurance	33.0	59.0	+25.9
Domestic life insurance	32.8	34.0	+1.1
Nursing care & healthcare, etc.	5.2	5.5	+0.2
Adjusted profit per share (Yen)	303	496	+192 (+63.5%)

- This page shows an overview of business forecasts for FY2019.
- Consolidated ordinary profit is projected to increase by ¥51.0 billion to ¥250.0 billion and consolidated net income plans to increase by ¥21.3 billion to a record-high ¥168.0 billion.
- In the following page, I will discuss the main points behind these forecasts.
- Please turn to page 10.

Main Points of Business Forecasts for FY2019

- ◆ Consolidated ordinary profit is expected to increase by ¥51.0 billion to ¥250.0 billion and consolidated net income is expected to ¥168.0 billion, setting a new record, mainly due to the normalization of the impact from domestic and overseas natural disasters, in addition to organic growth in each business, while impacts from the consumption tax hike, etc.
- ◆ Adjusted consolidated profit as funds of shareholder return is expected to increase by ¥71.4 billion to ¥185.0 billion.

Sompo Japan Nipponkoa

- Underwriting profit is expected to increase by ¥56.0 billion, mainly due to a rebound of the impact on the extra ordinary provisions for catastrophic loss reserve and improved profitability with product revisions, while impacts from the consumption tax hike, etc.
- Amount of the reduction of strategic-holding stocks in FY2019 is expected to around ¥100.0 billion.
- Investment profit is expected to decrease by ¥46.6 billion due to the rebound of accelerate reduction of strategic-holding stocks.
- As a result, ordinary profit is expected to increase by ¥10.4 billion to ¥226.0 billion and net income is expected to decrease by ¥12.7 billion to ¥163.0 billion, partly due to stripping out of one-time factors in the previous fiscal year.

Overseas insurance

- Net income is expected to increase by ¥64.4 billion to ¥58.3 billion, mainly due to normalization of the impact from overseas natural disasters and organic growth led by insurance business at \$I.

Himawari Life

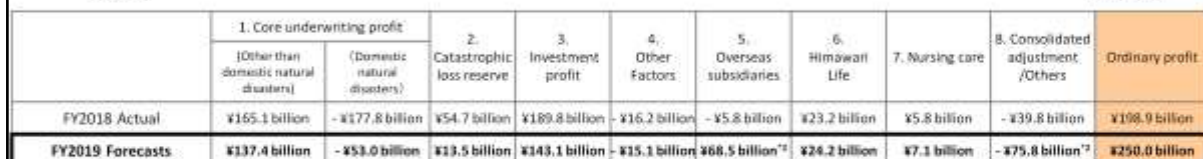
- Ordinary profit and net income are both expected to increase based on growth in premium and other income at a pace of around 2%.

Nursing care

- Occupancy rate is expected to a continued improvement.

- This page shows main points of business forecasts for FY2019.
- The impact from domestic and overseas natural disasters is expected to normalize, while the impact from the consumption tax hike is negative.
- In addition, underwriting income of Sompo Japan Nipponkoa is expected to increase due to the rebound of impact on the extra ordinary provisions for catastrophic loss reserve and improved profitability with product revisions.
- Moreover, we also factor in steady organic growth in other businesses.
- For reference, page 11 shows a breakdown of the forecast of consolidated ordinary profit and page 12 shows past progress of quarterly results in five years and page13 shows our numerical management targets, such as adjusted profit.
- Please turn to page 15.

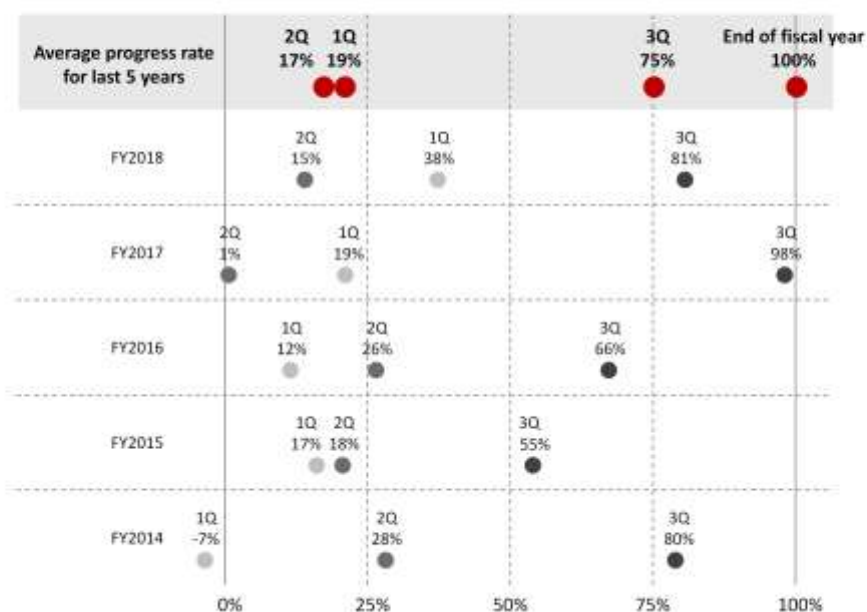
Main components of consolidated ordinary profit



² The goodwill for the 9 acquisition is \$1,513 million. Combined with intangible assets, the net amortization amount is around \$2,000 million (as of the date of acquisition). The amortization period for the goodwill is 10 years, and the amortization period for intangible asset has been set appropriately. The total annual amortization costs is projected at \$24.2 billion for FY2019-forecast. Due to changes in S's accounting policy, no adjustment will be made from FY2019 onwards for amount of adjustment related to intangible assets, etc.

(Reference) Historical Progress Rates of Quarterly Results

Progress in each quarter (consolidated net income)



(Reference) Numerical Management Targets, etc.

Numerical management targets

(Billions of yen)	FY2017	FY2018		FY2019	
	(Actual)	(Actual)	Change	(Forecasts)	Change
Domestic P&C insurance	85.3	42.3	-42.9	86.5	+44.1
Overseas insurance	44.0	33.0	-10.9	59.0	+25.9
Domestic life insurance	29.2	32.8	+3.6	34.0	+1.1
Nursing care & healthcare, etc.	4.1	5.2	+1.1	5.5	+0.2
Total (Adjusted consolidated profit)	162.7	113.5	-49.1	185.0	+71.4
Adjusted consolidated ROE²	6.4%	4.5%	-1.9pt	7.5%	+3.0pt
Consolidated net income (J-GAAP)	139.8	146.6	+6.8	168.0	+21.3
ROE (J-GAAP)	7.6%	8.0%	+0.5pt	9.5%	+1.4pt

Definition of adjusted profit^{*1}

Domestic P&C insurance

Net income
 + Provisions for catastrophic loss reserve, etc. (after tax)
 + Provisions for reserve for price fluctuation (after tax)
 - Gains/losses on sales of securities and impairment losses on securities (after tax)

Overseas insurance

Net income
 (including major non-consolidated subsidiaries)
 Adjusted profit of SI is operating income^{*3}

Domestic life insurance

Net income
 + Provision of contingency reserve (after tax)
 + Provision of reserve for price fluctuation (after tax)
 + Adjustment of underwriting reserve (after tax)
 + Deferral of acquisition cost (after tax)
 - Depreciation of acquisition cost (after tax)

Nursing care & healthcare, etc.

Net income

^{*1} Adjusted profit for each business excludes one-time factors and special factors such as subsidiary dividends, etc.

^{*2} Adjusted consolidated ROE = Adjusted consolidated profit / Adjusted consolidated net assets (The denominator is the average balance at the end/start of each fiscal year.)

Adjusted consolidated net assets = Consolidated net assets (excluding life insurance subsidiary's net assets) + Catastrophic loss reserve, etc. in domestic P&C insurance (after tax)
 + Reserve for price fluctuation in domestic P&C insurance (after tax) + Domestic life insurance adjusted net assets

Domestic life insurance adjusted net assets = Net assets (J-GAAP) + Contingency reserve (after tax) + Reserve for price fluctuation (after tax)

+ Adjustment of underwriting reserve (after tax) + Non-depreciated acquisition cost (after tax)

^{*3} Operating income of SI = Net income - Net foreign exchange gains/losses - Net realized and unrealized gains/losses - Net impairment losses recognized in earnings, etc.

Actual for the overseas insurance business in FY2017 includes a decrease in tax expenses in connection with the reorganization of SI.

1. Consolidated financial results

2. Domestic P&C insurance

3. Overseas insurance

4. Domestic life insurance

5. Nursing care & healthcare, etc.

6. ERM & asset management

Overview of FY2018 Results – Sampo Japan Nipponkoa

- ◆ Ordinary profit increased by ¥40.3 billion to 215.5 billion due to offsetting the impact from domestic natural disasters with increase in investment profit
- ◆ Extra ordinary provisions for catastrophic loss reserve was made (¥80.0 billion).

(Billions of yen)	FY2017	FY2018	Change
Net premiums written	2,168.0	2,148.6	-19.3 (-0.9%)
(excl. CALI, household earthquake)	1,876.0	1,869.8	-6.1 (-0.3%)
Net premiums earned (excl. CALI, household earthquake)	1,882.1	1,869.2	-12.8 (-0.7%)
Loss ratio	64.4%	69.8%	+5.4pt
(excl. CALI, household earthquake)	62.0%	68.0%	+6.1pt
E/I loss ratio (excl. CALI, household earthquake)	61.7%	67.2%	+5.5pt
Net expense ratio	32.3%	32.1%	-0.2pt
(excl. CALI, household earthquake)	34.0%	33.6%	-0.4pt
Combined ratio	96.7%	101.9%	+5.2pt
(excl. CALI, household earthquake)	95.9%	101.6%	+5.7pt

Underwriting profit	94.8	41.9	-52.8
Investment profit	97.8	189.8	+91.9
Ordinary profit	175.2	215.5	+40.3
Net income	170.0	175.7	+5.6

Mainly due to net reversal for catastrophic loss reserve (+¥36.7 bn.) while the impact from domestic natural disasters (-¥120.6 bn.)

Mainly due to accelerate reduction of strategic-holding stocks

Mainly due to the rebound of a decrease in tax expenses in connection with the reorganization of SI in FY2017

(Reference)
Adjusted
profit

+ Provisions for catastrophic loss reserve, etc. (after tax)	-12.8	-39.2	-26.3
+ Provisions for reserve for price fluctuation (after tax)	7.5	2.8	-4.6
- Gains/losses on sales of securities and impairment losses on securities (after tax)	29.1	68.6	+39.4
- Special factors (after tax) [*]	47.6	23.9	-23.7
Adjusted profit	87.8	46.7	-41.0

* Special factors area decrease in tax expenses in connection with the reorganization of SI and gains/losses related to stock future, etc.

- This page provides an overview of the results of Sampo Japan Nipponkoa. In the following pages, I will go through each line item in turn.
- Please turn to page 16.

Net Premiums Written

- ◆ Net premiums written (excl. one-time factor such as transfer of overseas reinsurance assumed to SI) increased, mainly due to growth in other lines, etc.
- ◆ Net premiums written in voluntary automobile insurance shifted to an increasing trend by offsetting the impact of Jan. 2018 rate revision with Jan. 2019 product revisions

Net premiums written by product line

(Billions of yen)	FY2017	FY2018	Change	FY2019 (Forecasts)
Fire and Allied Lines	281.7	265.0	-16.6 (-5.9%)	275.2
Marine	47.3	44.3	-3.0 (-6.5%)	47.4
Personal Accident	179.9	170.7	-9.2 (-5.1%)	168.2
Voluntary Automobile	1,078.5	1,073.1	-5.4 (-0.5%)	1,084.9
CALI	291.3	278.1	-13.1 (-4.5%)	278.7
Other	289.0	317.2	+28.1 (+9.7%)	317.3
of which, Liability	157.4	169.2	+11.7 (+7.5%)	169.4
Total	2,168.0	2,148.6	-19.3 (-0.9%)	2,172.0
Total (excl. CALI, household earthquake)	1,876.0	1,869.8	-6.1 (-0.3%)	1,892.6

(Main changing factors)

Fire and Allied Lines: Decreased mainly due to transfer of overseas reinsurance assumed to SI

Personal Accident : Mainly due to transfer of a part of the product to Other lines

Voluntary Automobile: Impact from rate revision in Jan. 2018 (voluntary auto as a whole: -1.7%) was covered by product revision in Jan. 2019

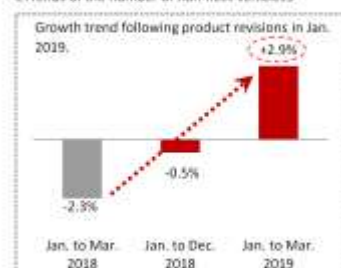
Other: Maintained strong sales of packaged products to small and medium-sized enterprises and liability products

(Reference) Year-on-Year comparison of voluntary automobile insurance (April 2018 - March 2019)

	# of vehicles	Unit premium	Total Premium
Non-fleet	-0.4%	-0.2%	-0.6%
Fleet	+2.0%	-0.9%	+1.1%
Total	+0.1%	-0.4%	-0.3%

(Performance evaluation basis)

<Trends of the number of non-fleet vehicles>

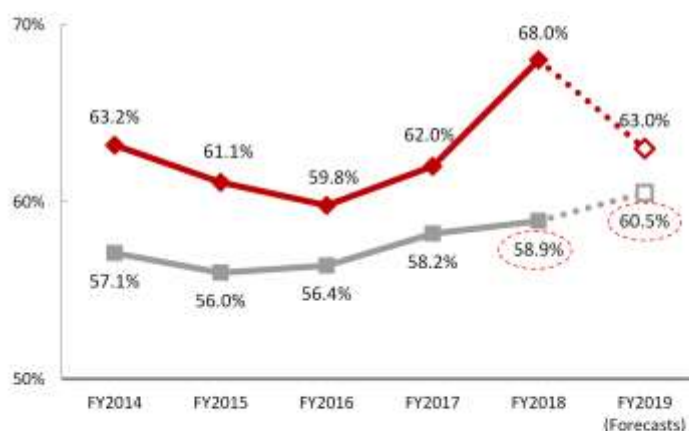


- This page presents net premiums written.
- Net premiums written (excl. one-time factor such as transfer of overseas reinsurance assumed to SI) increased steadily, mainly due to growth in other lines.
- Net premiums written in voluntary automobile insurance, our largest line, slightly decreased but impact from rate revision in January 2018 was mostly offset with product revision in January 2019.
- Please turn to page 17.

Loss Ratio (W/P)

- ◆ The loss ratio in FY2018 rose with the progress of claims paid for large losses in addition to a greater number of domestic natural disasters than average years.
- ◆ The loss ratio in FY2019 is expected to rise, mainly based on the conservative assumptions of loss from domestic natural disasters and repair cost per claims in addition to the impact from the consumption tax hike.

Loss ratio(W/P) by product line



(Reference) Loss ratio (W/P) by product line

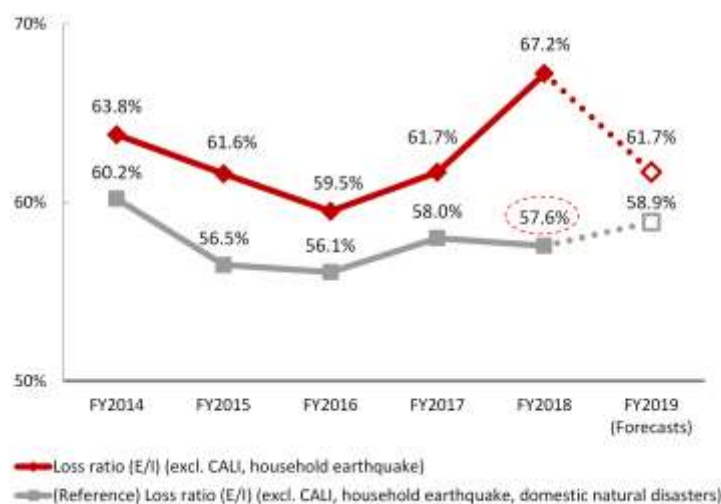
	FY2018	
	Loss Ratio	Change
Fire and Allied lines (excl. household earthquake)	106.0%	+32.5pt
Marine	80.2%	+15.9pt
Personal Accident	56.8%	+0.2pt
Voluntary Automobile	62.2%	+0.8pt
Other	60.3%	+4.8pt
Total (excl. CALI, household earthquake)	68.0%	+6.1pt

- This page shows the loss ratio on a written paid basis.
- The loss ratio in FY2018 rose with the progress of claims paid for large losses incurred in FY2017 in addition to the impact from domestic natural disasters in fire and allied lines.
- The loss ratio in FY2019 is expected to rise, mainly based on the conservative assumptions of loss from domestic natural disasters and repair cost per claims in addition to the impact from the consumption tax hike.
- Please turn to page 18.

Loss Ratio (E/I)

◆ The loss ratio in FY2018 (excl. the impact from domestic natural disasters) improved by 0.4pts.

Loss ratio(E/I) by product line



(Reference) Loss ratio (E/I) by product line

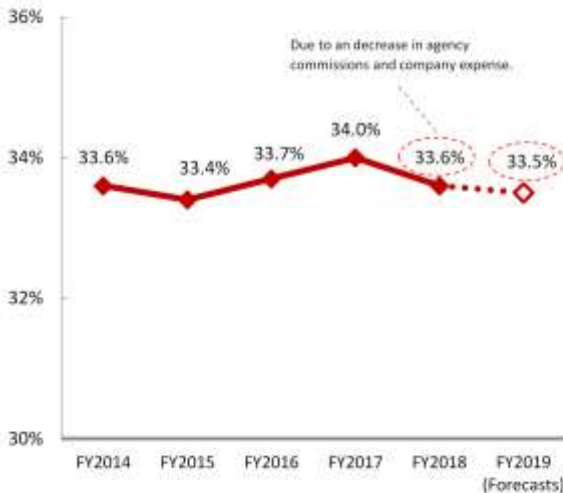
	FY2018	
	Loss Ratio	Change
Fire and Allied lines (excl. household earthquake)	101.5%	+32.4pt
Marine	83.7%	+23.6pt
Personal Accident	53.2%	-3.1pt
Voluntary Automobile	61.5%	+1.1pt
Other	61.0%	-1.5pt
Total (excl. CALI, household earthquake)	67.2%	+5.5pt

- This page shows the loss ratio on an earned incurred basis.
- As the loss ratio on a written paid basis, the loss ratio in FY2018 rose totally due to the impact from domestic natural disasters, while the loss ratio in FY2018 (excl. the impact from domestic natural disasters) improved by 0.4pt due to a favorable loss ratio centered on other lines.
- Please turn to page 19.

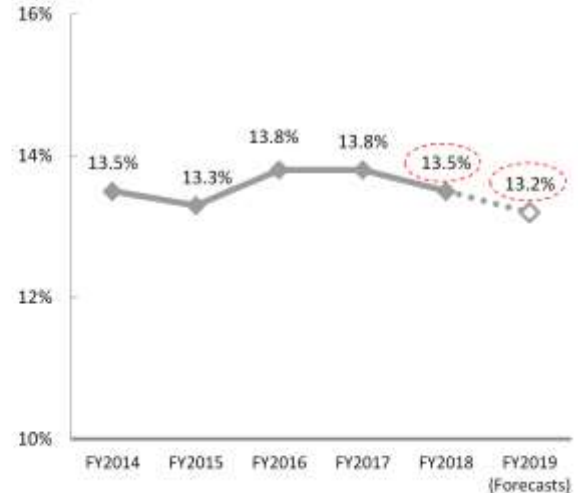
Net Expense Ratio

- ◆ The expense ratio was controlled as planned, focusing on the company expenses ratio.

Net expense ratio (excl. CALI, household earthquake)



Company expense ratio* (excl. CALI, household earthquake)



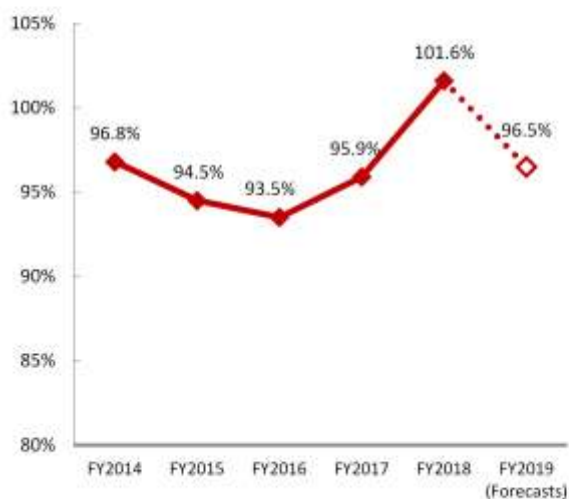
* Ratio of general administrative and selling expense related with underwriting to net premium written

- This page shows net expense ratio.
- Both personnel and property expenses are being properly controlled and we plan to retain this policy in FY2019.
- Page 20 shows combined ratio.
- Please turn to page 21.

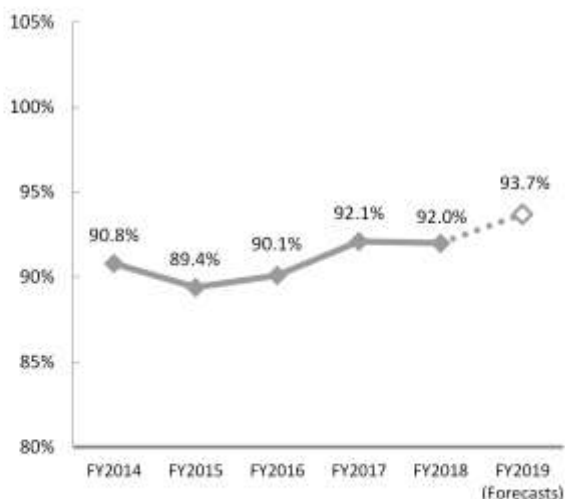
Combined Ratio

- ◆ The combined ratio (excl. CALI, household earthquake) in FY2018 was 101.6%, while in FY2019 expected to improve to 96.5%.

Combined ratio (excl. CALI, household earthquake)



(Reference) excl. CALI, household earthquake, domestic natural disasters



- ◆ Investment profit increased by ¥91.9 billion to ¥189.8 billion, mainly due to an increase in gains on sales of securities and dividend from SI.
- ◆ The reduction of strategic-holding stocks in FY2018 amounted to ¥158.0 billion, surpassing initial plan (around ¥100.0 billion) substantially.

Investment profit (Sompo Japan Nipponkoa, non-consolidated)

(Billions of yen)		FY2017	FY2018	Change	FY2019 (Forecasts)
Net interest and dividend income	1	66.9	96.4	+29.5	91.5
Interest and dividend income*		106.2	134.6	+28.4	128.1
of which, dividends from overseas subsidiaries		0.8	23.1	+22.3	23.7
Gains on sales of securities*	2	67.3	100.0	+32.7	59.5
of which, domestic stocks		77.6	101.2	+23.5	57.0
Impairment losses on securities*	3	-26.7	-4.8	+21.8	-1.0
of which, domestic stocks		-13.0	-3.2	+9.7	-1.0
Gains on derivatives	4	-11.3	-6.4	+4.8	-10.5
Other investment income	5	1.5	4.5	+2.9	3.7
Investment profit	1+2+3+4+5	97.8	189.8	+91.9	143.1

Reduction of strategic-holding stocks

¥158.0 billion

Net reduction on fair value basis
(market value of sales minus market value of purchase)

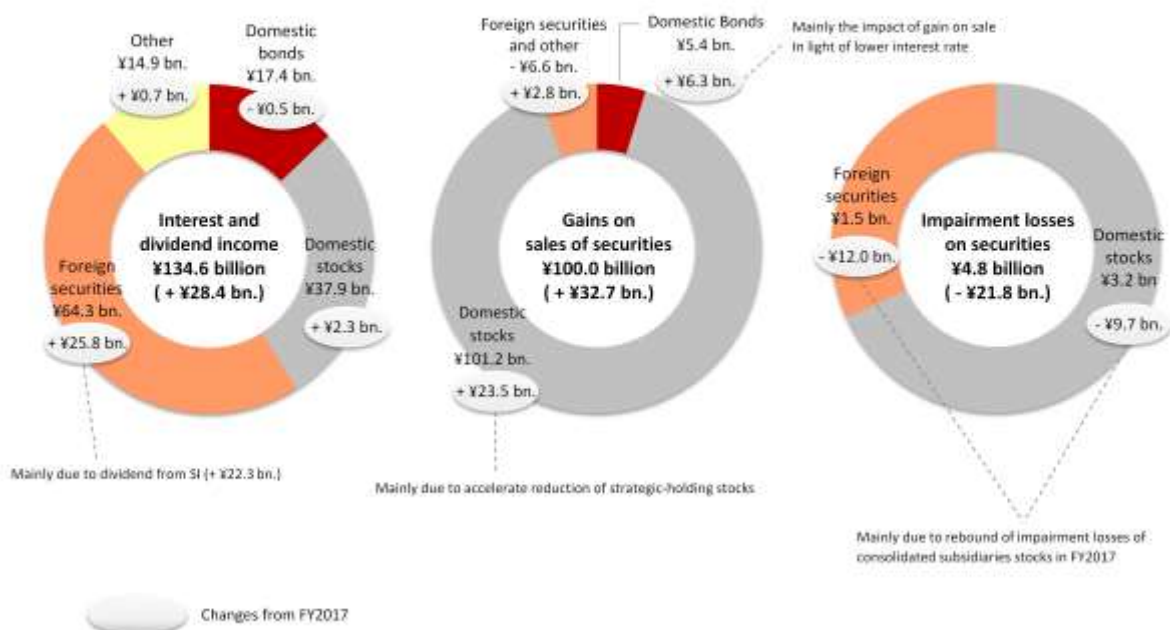
* Refer to next page for the breakdown

Mainly due to rebound of impairment losses of consolidated subsidiaries stocks in FY2017(+¥24.8 bn.)

- This page shows investment profit.
- Investment profit in FY2018 is as explained earlier. For your information, net interest and dividend income remained firm, even after excluding dividend from SI which is eliminated on a consolidated basis.
- Investment profit in FY2019 is expected to decrease to ¥143.1 billion, mainly due to the rebound of accelerate reduction of strategic-holding stocks.
- Page 22 shows the details of interest and dividend income, gains on sales of securities and impairment losses on securities.
- Please turn to page 23.

(Reference) Breakdown of Investment Profit

Breakdown of interest and dividend income, gains on sales of securities, and impairment losses on securities (FY2018)



Business Forecasts for FY2019 – Sompo Japan Nipponkoa

(Billions of yen)	FY2018 (Actual)	FY2019 (Forecasts)	Change
Net premiums written	2,148.6	2,172.0	+23.3 (+1.1%)
(excl. CALI, household earthquake)	1,869.8	1,892.6	+22.7 (+1.2%)
Net premiums earned (excl. CALI, household earthquake)	1,869.2	1,885.5	+16.2 (+0.9%)
Loss ratio	69.8%	65.0%	-4.8pt
(excl. CALI, household earthquake)	68.0%	63.0%	-5.0pt
E/I loss ratio (excl. CALI, household earthquake)	67.2%	61.7%	-5.5pt
Net expense ratio	32.1%	32.0%	-0.1pt
(excl. CALI, household earthquake)	33.6%	33.5%	-0.1pt
Combined ratio	101.9%	97.1%	-4.8pt
(excl. CALI, household earthquake)	101.6%	96.5%	-5.1pt
Underwriting profit	41.9	98.0	+56.0 (+133.4%)
Investment profit	189.8	143.1	-46.6 (-24.6%)
Ordinary profit	215.5	226.0	+10.4 (+4.9%)
Net income	175.7	163.0	-12.7 (-7.2%)
+Provisions for catastrophic loss reserve, etc (after tax)	-39.2	-9.4	+29.7
+Provisions for reserve for price fluctuation (after tax)	2.8	2.9	+0.0
-Gains/losses on sales of securities and impairment losses on securities (after tax)	68.6	42.1	-26.4
-Special factors (after tax)*	23.9	22.3	-1.5
Adjusted profit	46.7	91.8	+45.0 (+96.4%)

* Gains/losses related to stock future and dividend from consolidated subsidiaries, etc.

- Please take a look at this page for details of business forecasts for Sompo Japan Nipponkoa. In conjunction with these forecasts, please take a look at the assumptions for the business forecasts on page 24, and the automobile insurance-related data on page 25.
- Please turn to page 26.

Assumption of Business Forecasts for FY2019

Losses from domestic natural disasters (occurring in the fiscal year)	¥53.0 billion
Catastrophic loss reserve	Net reversal : ¥13.5 billion (Fire and allied lines: net reversal ¥13.9 billion, Voluntary automobile: net reversal ¥3.8 billion)
Provision rate of catastrophic loss reserve	Provision rate of fire group : fire 15.0% other 6.0% Provision rate of automobile group : 3.2%
Market indicators	(Stock) Nikkei 225 : ¥21,205 (Interest yield) 10y JGB : -0.08% (Foreign exchange) 1US\$: ¥110.99 1Euro : ¥124.56 * Assumptions for market indicators are based on ones as of end of March 2019.
Interest and dividend income	Gross : ¥128.1 billion Net : ¥91.5 billion
Realized gains on securities	Realized gains on security sales : ¥59.5 billion Impairment losses on securities : ¥1.0 billion
Reserve for price fluctuation	Net provision : ¥4.0 billion

(Reference) Indicators Related to Automobile Insurance

Combined ratio

■ Loss ratio ■ Expense ratio ◆ Combined ratio

Mainly based on a conservative forecast for repair costs per claims.

Mainly due to the impact of claims paid related to domestic natural disasters.



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

The number of reported claims

(Thousands)

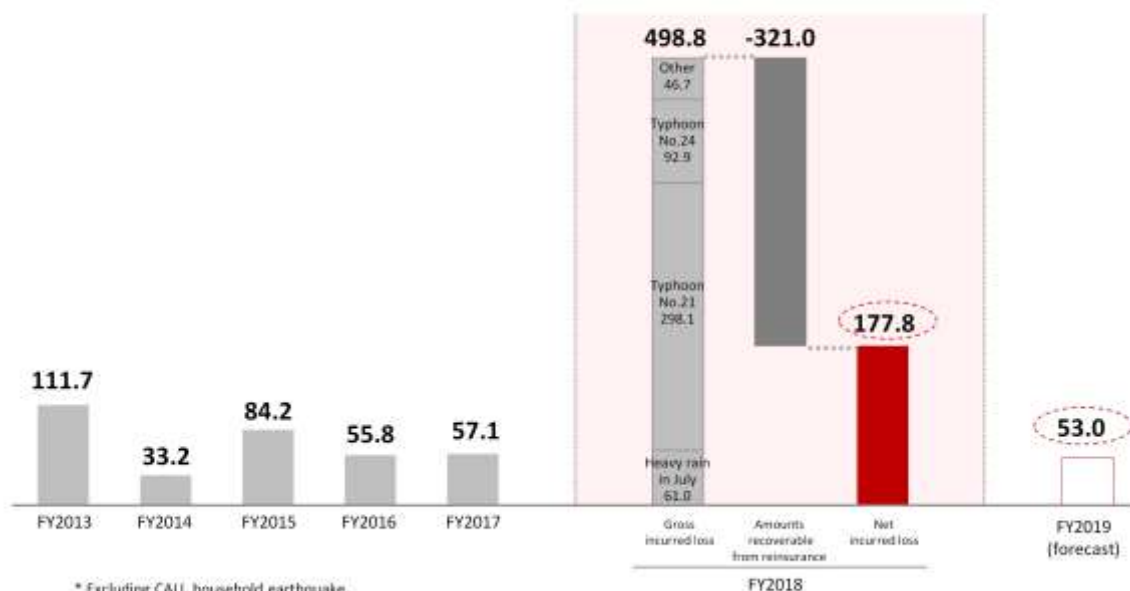


* Exclude certain natural disasters, whose incurred loss exceeds certain threshold.

(Reference) Domestic Natural Disasters

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

(Billions of yen)



26

- I'd like to share an additional detail on the status of domestic natural disasters.
- In FY2018, gross incurred loss was ¥498.8 billion due to the repeated occurrence of large-scale natural disasters, such as Typhoon No. 21, while net incurred loss in FY2018 was ¥177.8 billion, roughly on par with our forecast announced in November 2018 mainly due to recovery from reinsurance.
- The assumption for domestic natural disasters in FY2019 sets at ¥53.0 billion, with an increase by ¥5.0 billion against the initial assumption in FY2018 in light of factors such as the recent spate of natural disasters.
- The next page shows reference data for reserves and related items.
- Please turn to page 29.

Underwriting reserves and reserve for outstanding losses and claims (FY2018)

(Billions of yen)	Ordinary underwriting reserve*1		Catastrophic loss reserve		Reserve for outstanding losses and claims	
	Amount	Change	Amount	Change	Amount	Change
Fire and allied lines*2*3	717.6	-19.4	135.1	-20.7	123.9	+4.2
Marine	14.7	-5.7	43.7	-5.8	26.5	+2.7
Personal accident	125.6	+0.6	69.4	-1.1	58.2	-6.5
Voluntary automobile	314.3	+2.5	39.0	-21.0	389.5	-9.0
CALI*2	438.8	+9.4	-	-	74.0	-6.3
Other	340.6	+17.7	204.1	-5.9	213.3	-6.7
Total	1,951.8	+5.1	491.5	-54.7	885.7	-21.7
Total (excluding CALI and household earthquake)	1,507.4	-0.8	491.5	-54.7	811.6	-15.3
	Amount	Change			Change	
Reserve for saving-type products*4	1,296.6	-69.3			Impact of exchange rates on reserve for outstanding losses and claims	+0.7

*1 Include reserves for maturity refund of non-saving-type insurance.

*2 Underwriting reserves of earthquake insurance and CALI are included in ordinary underwriting reserves.

*3 Amount of Catastrophic loss reserve included extra ordinary provisions (¥80.0 billion).

*4 Deposit of premiums by policyholders and its investment profit cumulated as total of reserves for maturity refund and reserves for policyholders' dividends.

1. Consolidated financial results

2. Domestic P&C insurance

3. Overseas insurance

4. Domestic life insurance

5. Nursing care & healthcare, etc.

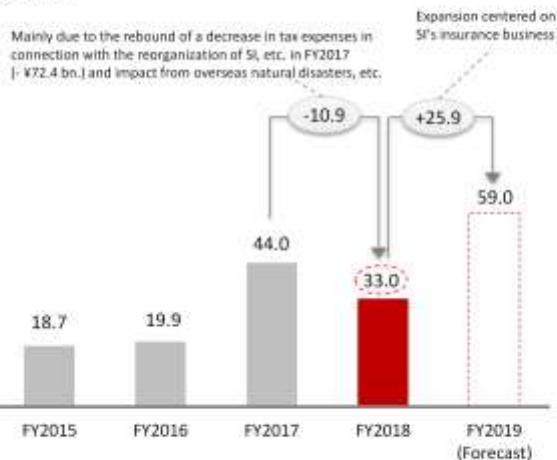
6. ERM & asset management

Overview of FY2018 Results – Overseas Insurance

- Adjusted profit decreased by ¥10.9 billion to ¥33.0 billion mainly due to the impact of natural disasters and rebound of one-time factors in FY2017.

Adjusted profit*

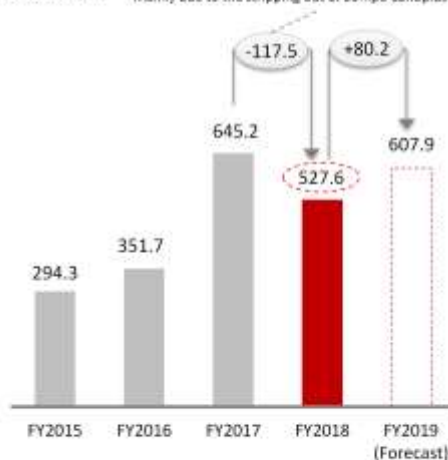
(Billions of yen)



(Reference) Net premiums written*

(Billions of yen)

Mainly due to the stripping out of Sompo Canopus



* Net premiums written of subsidiaries and affiliates reflect holding shares of each company. This treatment does not coincide with financial statements.
Adjusted profits have been adjusted to reflect shareholdings and other factors.
Net premiums written from Sompo Canopus in FY2017 was ¥129.7 bn. and adjusted profit was -¥26.8 bn. The impact slips in FY2018 by completing sales of Sompo Canopus.

- This page presents an overview of results for the overseas insurance business.
- Adjusted profit for FY2018 decreased by ¥10.9 billion to ¥33.0 billion, mainly due to the rebound of a decrease in tax expenses in connection with the reorganization of SI, etc. in FY2017 (¥72.4 billion).
- Adjusted profit excluding above largely increased, mainly due to the rebound of the impact of hurricanes in North America in FY2017 and organic growth centered on SI.
- Adjusted profit for FY2019 is expected to increase by ¥25.9 billion to ¥59.0 billion, mainly due to steady earnings growth in insurance business, especially in specialty products in U.S.
- We have provided a breakdown of business results by region on page 30 and the main points of business results by company on page 31. Please take a look at these pages later.
- Please turn to page 32.

Business Results by Region

- Bottom-line of Latin America increased, that of North America & Europe decreased partly due to the rebound of a decrease in tax expenses in connection with the reorganization.

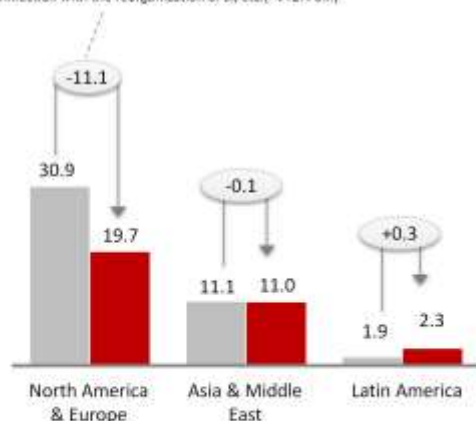
Adjusted profit (by region)

(Billions of yen)

■ FY2017

■ FY2018

Mainly due to the rebound of a decrease in tax expenses in connection with the reorganization of S&I, etc. (- ¥72.4 bn.)



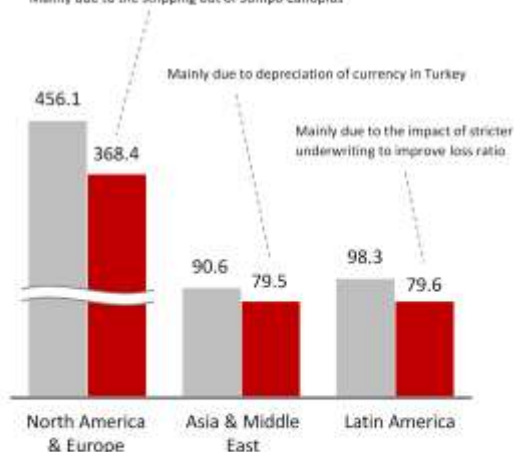
Net premiums written (by region)

(Billions of yen)

■ FY2017

■ FY2018

Mainly due to the stripping out of Sompō Canopus



(Reference) Business Results by Company

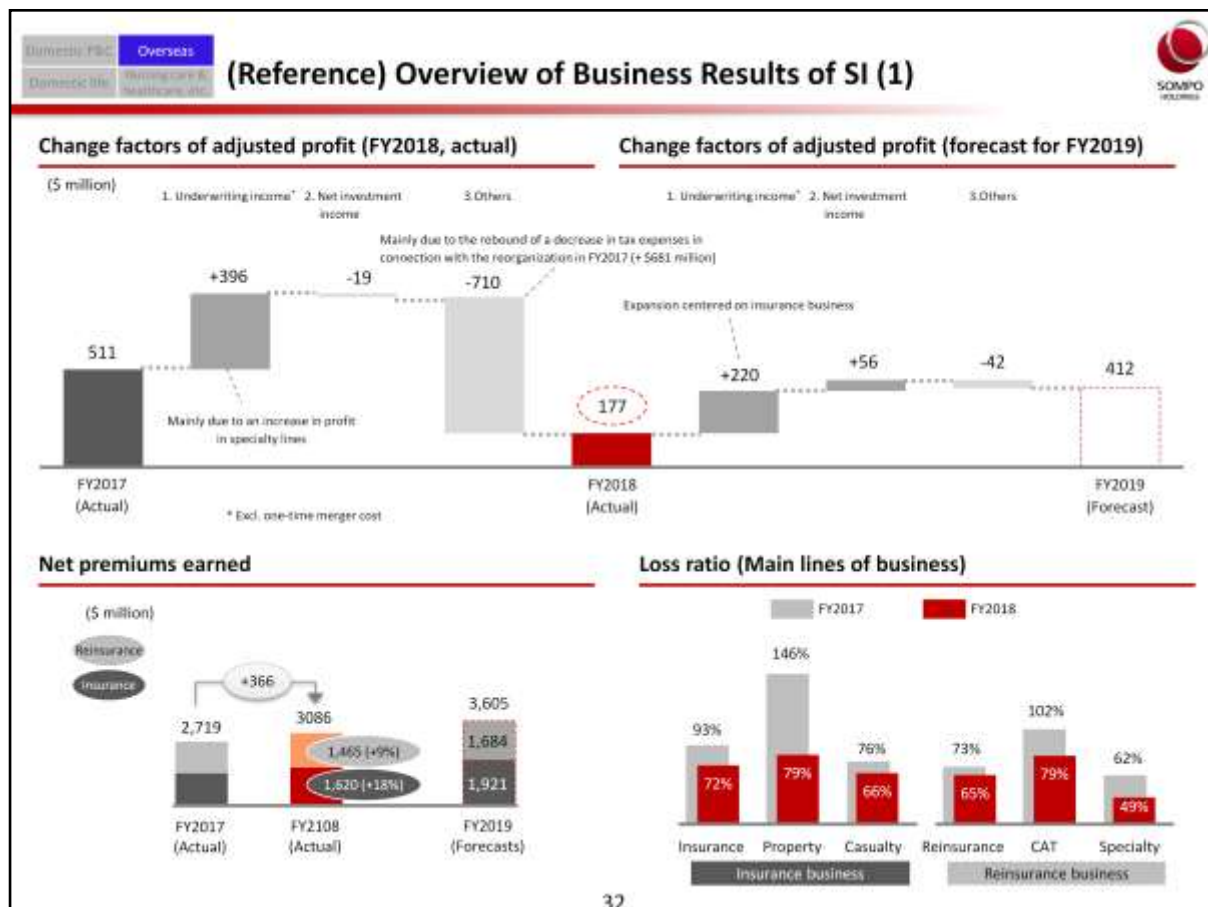
(Billions of yen)		Net premiums written		Adjusted profit		Key points	(Reference) Exchange rate		
		FY2018 (Actual)	FY2019 Forecasts	FY2018 (Actual)	FY2019 Forecasts		Dec. 2018 ^{*4}	(YoY Change)	
									Change
North America & Europe	SI ^{*1}	368.4	+42.0	430.6	19.7	-38.0	45.7	*Refer to page52 and 53	111.00 JPY/USD (-1.8%)
Asia & Middle East	SJ Sigorta (Turkey)	31.9	-13.5	34.3	6.9	-1.4	7.1	In FY2018, the underlying business progressed steadily, while impacts from the depreciation of currency in Turkey. In FY2019, expect to growth in high-profit products and an increase in investment profit.	20.97 JPY/TRY (-29.9%)
	Sompo Singapore	7.5	+0.2	7.9	0.4	-0.7	0.6	In FY2019, the loss ratio, mainly for automobile insurance is expected to improve.	81.00 JPY/SGD (-4.1%)
	Berjaya Sompo (Malaysia)	13.9	+2.0	15.2	1.1	+0.1	1.4	Favorable loss ratio in FY2018. Strengthening bancassurance with CIMB in FY2019.	26.68 JPY/MYR (-4.0%)
	Sompo Indonesia	6.5	+0.9	9.8	0.1	+0.2	0.5	Expect to an improvement in the expense ratio in FY2019.	0.0077 JPY/IDR (-8.3%)
	Sompo China NK China	5.3	-0.3	5.5	0.9	+1.1	0.4	Bottom line growth progressed steadily, mainly due to a decrease in large losses against the plan in FY2018.	16.16 JPY/RMB (-6.5%)
	Sompo Hong Kong	3.8	+0.5	3.5	0.5	-0.0	0.4	Favorable loss ratio in FY2018.	14.18 JPY/HKD (-1.9%)
	Universal Sompo (India)	6.5	+0.6	8.4	0.6	-0.5	0.3	Basically in line with the plan.	1.61 JPY/INR (-2.4%)
	Latin America	Sompo Seguros (Brazil)	79.6	-18.7	89.2	2.3	+0.3	2.0	In FY2018, loss ratio was improved due to strict underwriting conditions. In FY2019, investment profit is expected to expand conservatively.
Other (non-consolidated) ^{*2}		3.6	-1.7	3.0	0.2	+0.9	0.2	-	-
Total ^{*3}		527.6	-117.5	607.9	33.0	-10.9	59.0	-	-

*1 Incl. former Sompo America, Sompo Mexico and SINK Europe. (hereafter)

*2 Sum of Sompo Thailand, PGA Sompo (Philippines), United Insurance (Vietnam).

*3 Net premiums written from Sompo Canopus was ¥129.7 bn. and adjusted profit was - ¥26.8 bn. in FY2017.

*4 Universal Sompo's exchange rate is based at the end of March 2019. Exchange rate for forecasts for FY2019 is based at the end of March 2019.



(Reference) Overview of Business Results of SI (2)

(\$ million)	FY2017	FY2018		FY2019	
	(Actual)	(Actual)	YoY Change	(Forecasts)	YoY Change
Gross premiums written	5,281	5,960	+679	6,477	+516
Net premiums written	2,888	3,319	+431	3,879	+560
Net premiums earned	2,719	3,086	+366	3,605	+518
Net losses and loss expenses	2,211	2,114	-96	2,262	+147
Expense ^{*1}	879	952	+73	1,108	+155
Loss ratio ^{*1}	81.3%	68.5%	-12.8pt	62.8%	-5.8pt
Expense ratio ^{*1}	32.3%	30.9%	-1.5pt	30.7%	-0.1pt
Combined ratio ^{*1}	113.6%	99.4%	-14.2pt	93.5%	-5.9pt
Underwriting income	-428	24	+453	245	+220
Net investment income	263	244	-19	300	+56
Net income (After Preferred dividend)	-195	72	+267	412	+340
+ Net foreign exchange gains	+11	-15	-26	-	+15
+ Net realized and unrealized gains, net impairment losses, etc.	-29	+123	+152	-	-123
+ Income tax expense	-13	-1	+12	-	+1
+ One-time merger cost	+56	-	-56	-	-
Operating Income	-170	177	+348	412	+234
+ Others ^{*2}	+681	-	-681	-	-
Adjusted profit	511	177	-333	412	+234

Due to normalization of the impact from natural disasters

*1 The denominator of loss ratio, expense ratio and combined ratio is net premiums earned

One-time merger cost is excluded as a special factor in expense, expense ratio and combined ratio in FY2017

*2 A decrease in tax expenses in connection with the reorganization in FY2017

*3 Impact of US tax reform (FY2017): around + ¥ 0.5 billion (consolidated basis), only a limited impact from FY2018 onward

(Reference) Timing of recognizing net premiums

earned in crop insurance (Seasonality)

1Q: 10-15% 2Q: 25-30% 3Q: 30-35% 4Q: 25-30%

1. Consolidated financial results

2. Domestic P&C insurance

3. Overseas insurance

4. Domestic life insurance

5. Nursing care & healthcare, etc.

6. ERM & asset management

Overview of FY2018 Results – Himawari Life

- ◆ Ordinary profit and net income in FY2018 increased, mainly due to growth in premium and other income.
- ◆ Net income in FY2019 is expected to increase by ¥0.6 billion to ¥16.0 billion, mainly due to continued growth in policies in force.

Major indicators

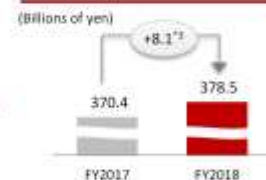
(Billions of yen)	FY2017	FY2018	Change		FY2019	
					(Forecasts)	Change
Annualized new premium	35.8	37.0	+1.2	(+3.4%)	35.0	-2.0
of which, income compensation product	2.5	7.5	+5.0	(+201.8%)	-	-
Premium and other income* ¹	438.4	444.4	+5.9	(+1.4%)	453.3	+8.9
Paid claims, etc.	67.1	67.9	+0.8	(+1.3%)	70.8	+2.8
Expense	95.5	93.2	-2.3	(-2.4%)	98.2	+5.0
Investment profit	45.0	45.1	+0.0	(+0.2%)	45.5	+0.4
of which, general account	43.5	44.7	+1.1	(+2.7%)	45.1	+0.4
Basic profit	17.5	27.8	+10.2	(+58.3%)	29.6	+1.7
Ordinary profit* ¹	16.7	26.5	+9.8	(+59.0%)	27.8	+1.2
Net income	8.1	15.3	+7.2	(+89.6%)	16.0	+0.6
Adjusted profit	29.2	32.8	+3.6	(+12.6%)	34.0	+1.1

* Figures based on legally required format for life insurance companies (which differs from the consolidated format).

(Reference) Amount of business in force*²



(Reference) Annualized premium in force*²



*² The sum of individual insurance and individual annuities.

*³ Of which protection-type +¥6.5 bn.

- This page presents an overview of the results of Himawari Life.
- Net income surpassed our full-year forecast, increasing by ¥7.2 billion to ¥15.3 billion, mainly due to the positive effect of a lower policy reserves burden, in addition to steady growth in premium and other income, especially for our new income compensation line that we launched in April 2018.
- In FY2019, ordinary profit is expected to increase by ¥1.2 billion and net income is expected to increase by ¥0.6 billion to ¥16.0 billion, mainly due to continued steady growth in premium and other income.
- Please refer to next page for an analysis of the main components of net income and to page 37 for the status of adjusted profit. In addition, we have presented an overview on MCEV on page 38 and details on MCEV are disclosed separately. Please refer to this page later.
- Please turn to page 40.

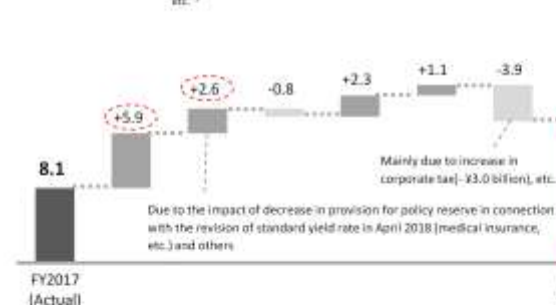
Net Income (J-GAAP) – Himawari Life

- ◆ Mainly due to growth in policies in force and decrease in provision for policy reserve, net income in FY2018 increased.
- ◆ Net income in FY 2019 is expected to improve, mainly due to premium and other income increasing.

Change factors of net income (FY2018, actual)

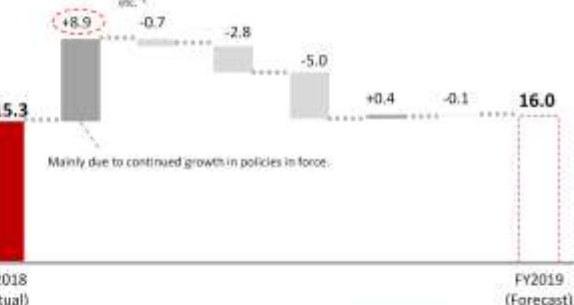
(Billions of yen)

1. Premium and other income
2. Provision for policy reserve, etc.²⁾
3. Paid claims, etc.³⁾
4. Expense
5. Investment profit
6. Other¹⁾



Change factors of net income (forecast for FY2019)

1. Premium and other income
2. Provision for policy reserve, etc.²⁾
3. Paid claims, etc.³⁾
4. Expense
5. Investment profit
6. Other¹⁾



	1. Premium and other income	2. Provision for policy reserve, etc.	3. Paid claims, etc.	4. Expense	5. Investment profit (general account)	6. Other	Net income
FY2017 Actual	¥438.4 billion	- ¥301.1 billion	- ¥67.1 billion	- ¥95.5 billion	¥43.5 billion	- ¥10.0 billion	¥8.1 billion
FY2018 Actual	¥444.4 billion	- ¥298.4 billion	- ¥67.9 billion	- ¥93.2 billion	¥44.7 billion	- ¥14.0 billion	¥15.3 billion
FY2019 Forecasts	¥453.3 billion	- ¥299.2 billion	- ¥70.8 billion	- ¥98.2 billion	¥45.1 billion	- ¥14.1 billion	¥16.0 billion

*1 Include the impact of cancellation refund, maturity insurance amount, survival benefits, pension and other refund and gains or losses on investments in separate accounts

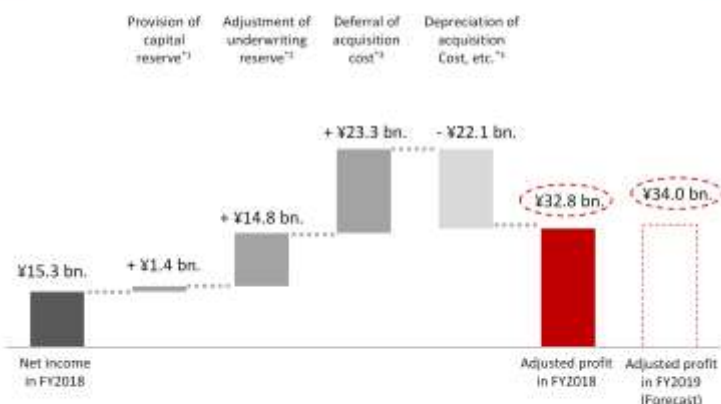
*2 Include the effect of provision or reversal of reserve for outstanding claims (excluding maturity insurance amount and survival benefits)

*3 The sum of other ordinary expense, special gains and losses, provision for reserve of policy holder dividend, corporate tax, etc.

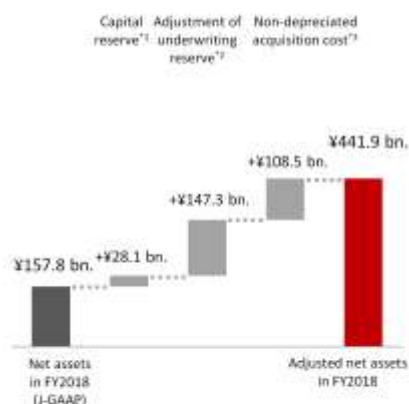
(Reference) Adjusted Profit and Adjusted Net Assets – Himawari Life

- ◆ In FY2018, adjusted profit exceeded the initial plan (¥32.0 billion) and amounted to ¥32.8 billion due to expansion of policies in force and control of expense, etc.
- ◆ In FY2019, adjusted profit is expected to increase by ¥1.1 billion over ¥34.0 billion, mainly based on growth in premium and other income.

Conversion from net income to adjusted profit



(Reference) Adjusted net assets



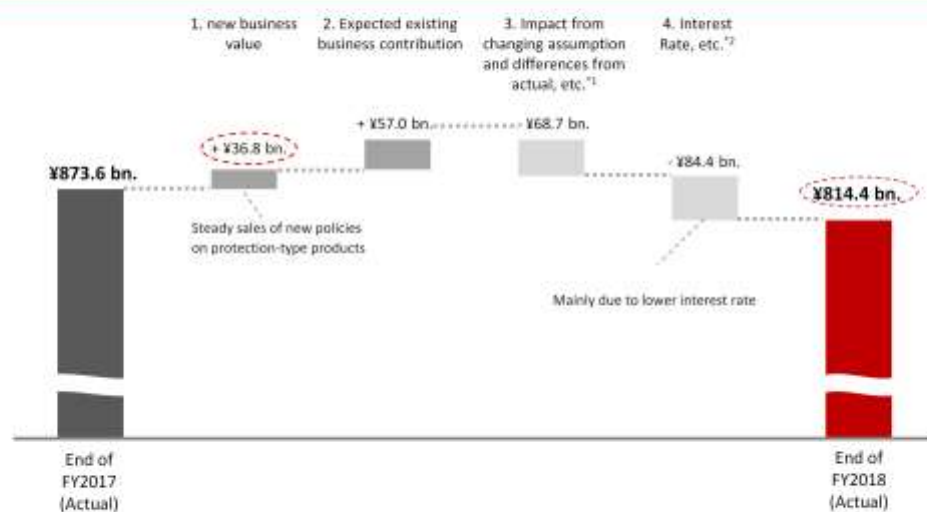
*1 Contingency reserve and reserve for price fluctuation (after tax).

*2 Re-calculate underwriting reserve, which is calculated conservatively, with factors used for calculation of premiums (after tax).

*3 Acquisition cost, such as commissions for new contracts, depreciated over 10 years (after tax).

(Reference) MCEV

Changing factors of MCEV



*1 Impact from changing assumption of cancelation ratio, etc.
*2 Incl. paid dividend.

1. Consolidated financial results

2. Domestic P&C insurance

3. Overseas insurance

4. Domestic life insurance

5. Nursing care & healthcare, etc

6. ERM & asset management

Overview of FY2018 Results – Nursing Care & Healthcare, etc.

◆ Due to continued improvement of occupancy rate, net income in nursing care increased by ¥1.0 billion.

Results of nursing care business (SOMPO Care^{*1})

(Billions of yen)		FY2018 (Actual)	(Change)	FY2019 (Forecasts)
Sales ^{*2}		124.1	+4.5	127.4
Adjusted profit		4.0	+1.0	4.3
Occupancy rate ^{*3}	(SOMPO-no-le)	92.1%	+0.4pt	93.2%
	(SOMPO-no-le S)	93.4%	+3.3pt	93.3%
	(La vie Re)	87.6%	+2.3pt	90.0%
Number of users of at-home nursing care services (headcount)		48,645	+2,661	-

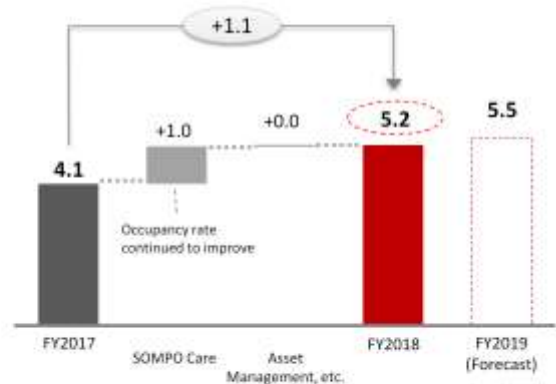
^{*1} Former SOMPO Care and SOMPO Care Next merged in July 2018.

^{*2} Including non-operating income.

^{*3} Occupancy rate = the number of residents / capacity of facilities.
SOMPO-no-le, SOMPO-no-le S, and La vie Re are brands of former SOMPO Care's nursing homes, serviced residential complexes for elderly, and former SOMPO Care Next's nursing homes respectively.

Adjusted profit (Nursing Care & Healthcare, etc.^{*3})

(Billions of yen)

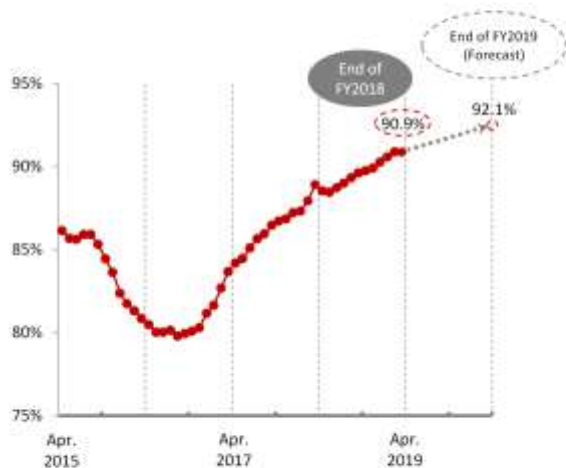


^{*3} Nursing care & healthcare business is the sum of SOMPO Care and asset management, etc.

- This page shows the nursing and healthcare business.
- In FY2018, mainly due to steady improvement in the occupancy rate which is a key indicator in the nursing care business, adjusted profit in this business increased by ¥1.0 billion to ¥ 4.0 billion, exceeding our full-year forecast announced in November 2018.
- In FY2019, adjusted profit in our nursing care business is expected to increase, mainly due to further improvement in the occupancy rate.
- For reference, trends in the occupancy rate, etc. are shown on page 41. Please refer to this page later.
- Please turn to page 43.

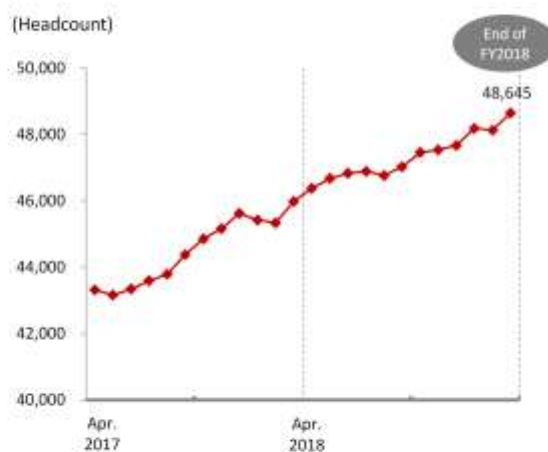
(Reference) Major Indicators of SOMPO Care

Progress of occupancy rate*



* Integrate the occupancy rate of former SOMPO Care and SOMPO Care Next

Progress of Number of users of at-home nursing care services



1. Consolidated financial results

2. Domestic P&C insurance

3. Overseas insurance

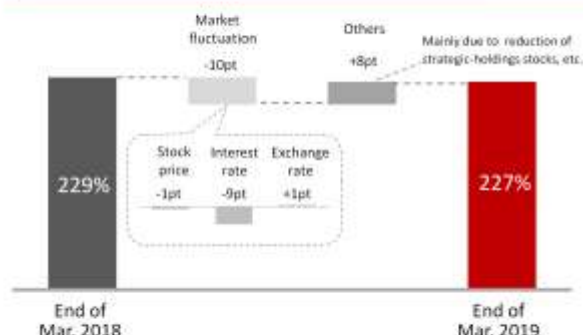
4. Domestic life insurance

5. Nursing care & healthcare, etc.

6. ERM & asset management

Financial Soundness – ESR (99.5%VaR)

◆ ESR (99.5%VaR) as of end of FY2018 was 227%, stayed at target range level.

Trend of ESR (99.5%VaR)^{*1}

^{*1} In accordance with Solvency II

^{*2} Target range is around 180% to 250% (99.5%VaR).

250% level: The level set based on capital efficiency (ROE).

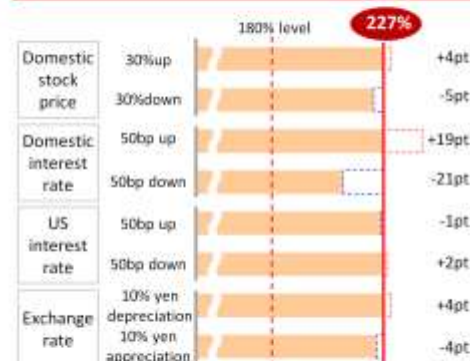
180% level: The level leading to stable financial soundness.

Typical actions in case of constant deviation from target range

【Over 250% level】 Consider additional risk-taking (investments in growth fields) and enhance shareholder returns by share buy-back and others

【Under 180% level】 Execute a variety of measures to reduce risks, consider enhancing capital buffer by hybrid bond issuance, etc. and retain more earnings and others

Sensitivity of ESR (99.5%VaR)



(Reference) Market indicators	End of Mar. 2019	(change ^{*3})
Domestic stock price (Nikkei 225)	¥21,205	(-1.2%)
Domestic interest rate (30y JGB)	0.51%	(-24bp)
US interest rate	2.41%	(-33bp)
Exchange rate (JPY/USD)	¥110.99	(+4.5%)

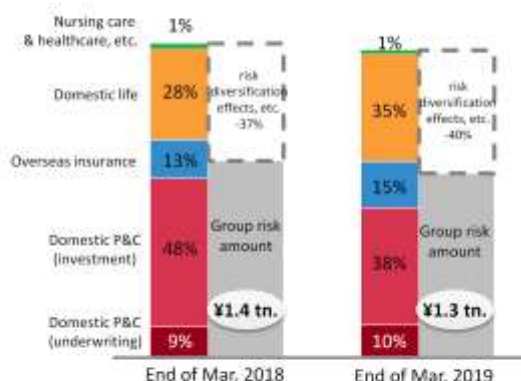
^{*3} Against the end of March 2018

- This page shows the status of ESR.
- Despite the impact of lower interest rates, ESR is roughly at the same level as the end of last fiscal year partly due to accelerate reduction of strategic-holding stocks. Our financial soundness continues to present no problem.
- Page 44 presents a breakdown of adjusted capital and risk. Please take a look at this page later.
- Please turn to page 45.

(Reference) Breakdown of Adjusted Capital and Risk

Adjusted capital^{*1}Risk amount^{*5}

(Trillions of yen)



*1 Formula for adjusted capital: Adjusted capital = Total of net assets on the non-consolidated balance sheet + value in force – goodwill, etc.

+ unrealized gains and losses on non mark-to-market assets + capital reserve, etc. + hybrid capital instruments

*2 Reserve for price fluctuation and catastrophic loss reserve, etc. (after tax)

*3 Unrealized gains and losses on securities, etc., including non mark-to-market assets.

*4 Total of net assets on non-consolidated balance sheets, and value in force of P&C and life insurance business. (excl. goodwill and attributable to non-controlling shareholders, etc.)

*5 Risk : 1 year holding period, 99.5% VaR

-Risk amount of each business : Before reflecting risk diversification effect among businesses and before-tax basis.

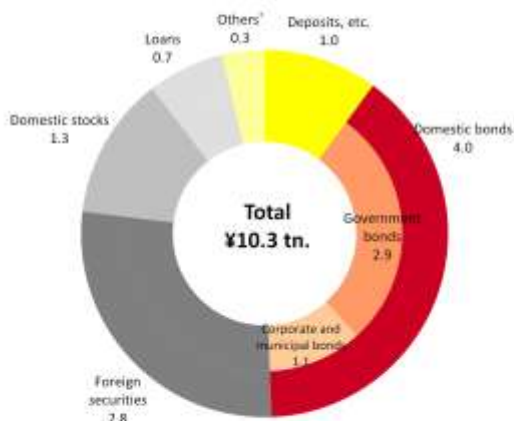
-Group total risk : Sum of risk amount of each business less risk diversification effect among businesses and tax impact.

Asset Portfolio – Group-wide

- ◆ Built a stable portfolio centered on bonds, considering liability, liquidity, quality and other characteristics.

Amount of investment assets (as of end of March 2019, group consolidated base)

(Trillions of yen)



Investment assets by company

(Billions of yen)

	Amount of investment assets	Composition
Sompo Japan Nipponkoa	5,497.4	52.9%
Overseas group subsidiaries	1,459.0	14.0%
(Of which, SI)	(1,189.1)	(11.4%)
Himawari Life (General account)	3,268.6	31.5%
Saison Automobile & Fire and Sonpo 24	64.3	0.6%
Other domestic subsidiaries	98.1	0.9%
Total	10,387.6	100.0%

* Others include lands, buildings and stocks of non-consolidated subsidiaries, etc.

- In closing, we present our Group-wide asset portfolio, and in following page we also present the asset portfolios of Sompo Japan Nipponkoa, SI and Himawari Life. Our portfolios are focused on stability. Please take a look at these pages later.
- That brings my presentation to a close. Thank you for your attention.

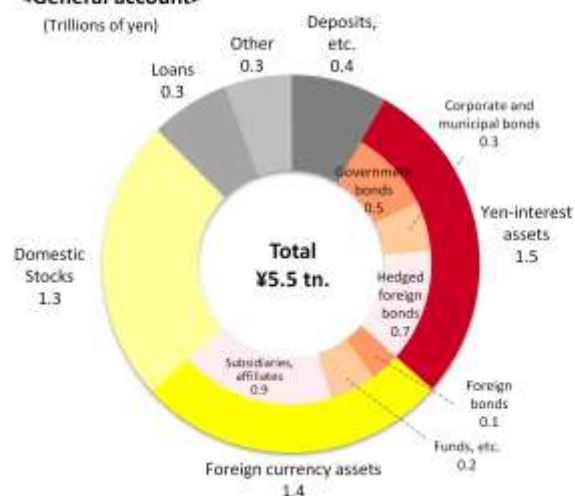
Asset Portfolio – Sompo Japan Nipponkoa

- ◆ Continue to manage with reduction of strategic-holding stocks and diversified investments.

Amount of investment assets (as of end of March 2019, Sompo Japan Nipponkoa, non-consolidated)

<General account>

(Trillions of yen)



Trend of income yield^{*1}



Composition by ratings^{*2}

Internal rating	Composition
BBB or above	100%
BB or below	0%

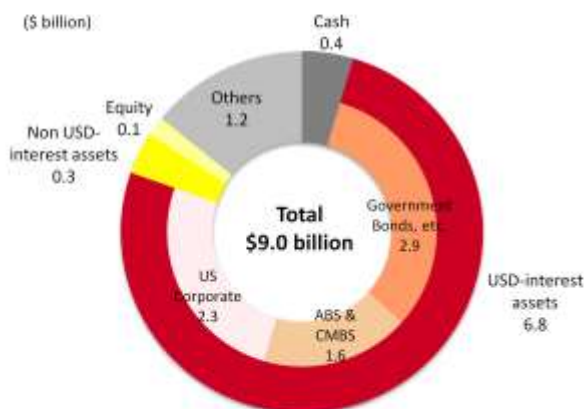
*1 Excluding overseas subsidiaries' shares, etc.

*2 Total of yen-interest assets and foreign currency bonds

Asset Portfolio - SI

- ◆ Emphasize on liquid, high quality assets to meet company liabilities, while investing in USD-interest assets at the base.

Amount of investment assets (as of end of December 2018, SI, consolidated)



Composition by ratings

Rating	Composition
BBB or above	93%
BB or below	7%

Duration (years)

	End of Dec. 2017	End of Dec. 2018
Asset	3.6	3.2
Liability	2.9	2.9

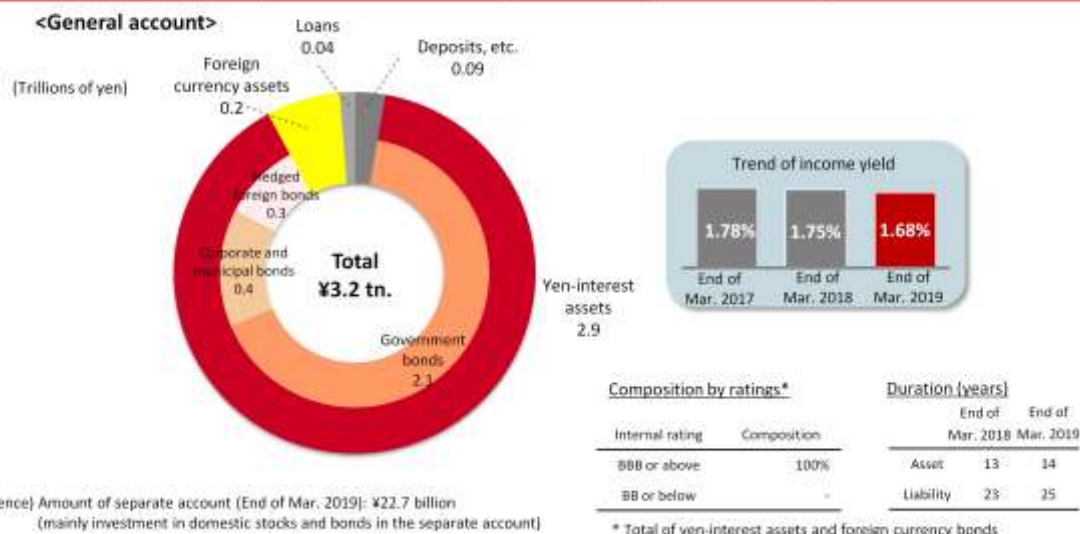
(Reference) Income yield* at the end of December 2018: 2.69%

*Incl. Changes in unrealized gains and losses on certain funds, etc.

Asset Portfolio – Himawari Life

- ◆ Manage the portfolio through disciplined ALM, which mainly consists of yen-interest assets.
- ◆ Slightly increased allocation to corporate bonds, etc. in light of the domestic low interest rate environment.

Amount of investment assets (as of end of March 2019, Himawari Life, non-consolidated)



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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