

**UNOFFICIAL TRANSLATION**

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Summary of  
Consolidated Financial Results  
for the fiscal year ended March 31, 2014  
Supplementary Information

May 20, 2014

NKSJ Holdings, Inc.

( Securities code : 8630 )

## Summary of Consolidated Financial Results for the fiscal year ended March 31, 2014

## Contents – Supplementary Information

**1. Overview of Consolidated Financial Results for the fiscal year ended March 31, 2014****NKSJ Holdings, Inc.**

<b>Overview of Consolidated Financial Results for the fiscal year ended March 31, 2014</b> .....	3
<b>Net Incurred Loss due to the heavy snowfall in February 2014</b> .....	3

**Sompo Japan Insurance Inc. (Non-consolidated)**

<b>Overview of Financial Results for the fiscal year ended March 31, 2014</b> .....	4
Summary of Results of Operations .....	4
Premiums Written and Claims Paid by Business Lines .....	5
Net Incurred Loss during the period due to Natural Disasters in Japan .....	6
Breakdown of Operating, General and Administrative Expenses and Loss Adjustment Expenses .....	6
Reserve for Outstanding Losses and Claims .....	6
Ordinary Underwriting Reserves .....	6
Catastrophic Loss Reserve .....	6

**NIPPONKOA Insurance Co., Ltd. (Non-consolidated)**

<b>Overview of Financial Results for the fiscal year ended March 31, 2014</b> .....	7
Summary of Results of Operations .....	7
Premiums Written and Claims Paid by Business Lines .....	8
Net Incurred Loss during the period due to Natural Disasters in Japan .....	9
Breakdown of Operating, General and Administrative Expenses and Loss Adjustment Expenses .....	9
Reserve for Outstanding Losses and Claims .....	9
Ordinary Underwriting Reserves .....	9
Catastrophic Loss Reserve .....	9

**2. Forecasts for the fiscal year ending March 31, 2015 (April 1, 2014 to March 31, 2015)**

NKSJ Holdings, Inc. (Consolidated) .....	10
Sompo Japan Nipponkoa .....	10

**3. Overview of Business Results of Principal Consolidated Subsidiaries**

<b>Sompo Japan Insurance Inc. (Non-consolidated)</b> .....	11
Balance Sheet .....	11
Statement of Income .....	13
Premiums Written and Claims Paid by Business Lines .....	15
Non-consolidated Solvency Margin Ratio .....	16
<b>NIPPONKOA Insurance Co., Ltd. (Non-consolidated)</b> .....	17
Balance Sheet .....	17
Statement of Income .....	19
Premiums Written and Claims Paid by Business Lines .....	21
Non-consolidated Solvency Margin Ratio .....	22

<b>Sompo 24 Insurance Company Limited (Non-Consolidated)</b> .....	23
Balance Sheet .....	23
Statement of Income .....	24
Premiums Written and Claims Paid by Business Lines .....	25
Non-consolidated Solvency Margin Ratio .....	26
<b>Saison Automobile and Fire Insurance Company, Limited (Non-consolidated)</b> .....	27
Balance Sheet .....	27
Statement of Income .....	29
Premiums Written and Claims Paid by Business Lines .....	30
Non-consolidated Solvency Margin Ratio .....	31
<b>NKSJ Himawari Life Insurance, Inc. (Non-consolidated)</b> .....	32
Balance Sheet .....	32
Statement of Income .....	34
Major Business Results	
(Total amount of policies in force, Total amount of new policies and Annualized premiums) .....	35
Non-consolidated Solvency Margin Ratio .....	36
<b>Sompo Japan DIY Life Insurance Co., Ltd. (Non-consolidated)</b> .....	37
Balance Sheet .....	37
Statement of Income .....	38
Major Business Results	
(Total amount of policies in force, Total amount of new policies and Annualized premiums) .....	39
Non-consolidated Solvency Margin Ratio .....	40
<b>Supplementary Explanation</b> .....	41
Calculation of returns .....	41
Calculation of ratios, etc. ....	41
Non-consolidated Solvency margin ratio .....	42
<b>4. Supplementary Data about Financial Results for the fiscal year ended March 31, 2014 at Press Conference</b>	
Sompo Japan Insurance Inc. (Non-consolidated) .....	43
NIPPONKOA Insurance Co., Ltd. (Non-consolidated) .....	47

## 1. Overview of Consolidated Financial Results for the fiscal year ended March 31, 2014

NKSJ Holdings, Inc.

Overview of Consolidated Financial Results for the fiscal year ended March 31, 2014

(Millions of yen, %)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014	Increase (Decrease)	Rate of change
Ordinary income:	2,843,226	3,008,339	165,112	5.8
Net premiums written	2,062,606	2,268,967	206,360	10.0
Life insurance premiums written	264,732	277,230	12,498	4.7
Ordinary profit	104,783	112,391	7,608	7.3
Net income	43,618	44,169	551	1.3

(Millions of yen)

	Ordinary profit			Net income		
	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014	Increase (Decrease)	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014	Increase (Decrease)
Sompo Japan Insurance Inc.	65,058	68,079	3,020	29,137	27,350	(1,786)
+						
NIPPONKOA Insurance Co., Ltd.	64,580	49,685	(14,894)	33,332	22,173	(11,158)
+						
NKSJ Himawari Life Insurance, Inc.	8,019	13,792	5,772	4,421	8,068	3,647
+						
Consolidation adjustment, etc.	(32,875)	(19,165)	13,710	(23,273)	(13,423)	9,849
=						
NKSJ Holdings, Inc. (Consolidated)	104,783	112,391	7,608	43,618	44,169	551

Notes)

- In establishing NKSJ Holdings, Inc., the purchase method was applied to account for the business combination. "Consolidation adjustment, etc." in the above table includes amounts of adjustments following the application of the purchase method.
- Ordinary profit of NKSJ Himawari Life Insurance, Inc. represent amounts after reclassifications into the form of the consolidated statement of income.

### Net Incurred Loss due to the heavy snowfall in February 2014

(Millions of yen)

	Net claims paid	Provision for reserve for outstanding losses and claims	Net incurred loss
Total	20,879	52,193	73,073
Sompo Japan Insurance Inc.	13,530	30,896	44,426
NIPPONKOA Insurance Co., Ltd.	7,349	21,297	28,647

## Sompo Japan Insurance Inc. (Non-consolidated)

## Overview of Financial Results for the fiscal year ended March 31, 2014

## Summary of Results of Operations

(Millions of yen)

		Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)	Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)	Increase (Decrease)	Rate of change
Ordinary income and expenses:					
Underwriting income and expenses:					
Direct premiums written (including deposits of premiums by policyholders)	①	1,517,884	1,609,528	91,644	6.0 %
Direct premiums written	②	1,413,080	1,501,167	88,087	6.2
(+) Net premiums written	③	1,327,361	1,413,818	86,456	6.5
(-) Net claims paid	④	843,762	822,285	(21,477)	(2.5)
(-) Loss adjustment expenses	⑤	93,375	91,723	(1,652)	(1.8)
(-) Net commissions and brokerage fees	⑥	228,951	245,153	16,201	7.1
(+) Deposits of premiums by policyholders	⑦	104,804	108,361	3,557	3.4
(+) Interest and dividend income on deposits of premiums, etc.	⑧	34,065	32,408	(1,656)	(4.9)
(-) Maturity refunds and dividends to policyholders	⑨	203,027	179,590	(23,436)	(11.5)
(-) Provision for (reversal of) reserve for outstanding losses and claims	⑩	(5,058)	45,534	50,593	—
(-) Provision for (reversal of) underwriting reserves	⑪	(78,625)	5,450	84,075	—
(+) Other underwriting income and expenses	⑫	926	2,784	1,857	200.5
Gross underwriting margin	⑬	181,724	167,634	(14,089)	(7.8)
Operating, general and administrative expenses related to underwriting	⑭	205,872	198,722	(7,149)	(3.5)
Other income and expenses	⑮	(1,556)	(1,756)	(200)	—
Underwriting profit (loss)	⑯	(25,704)	(32,844)	(7,140)	—
Investment income and expenses:					
(+) Interest and dividend income	⑰	79,498	78,110	(1,387)	(1.7)
(+) Investment gains and losses on money trusts	⑱	477	3,076	2,599	544.8
(+) Gains and losses on sales of securities	⑲	92,483	73,540	(18,943)	(20.5)
(-) Impairment losses on securities	⑳	25,351	10,867	(14,484)	(57.1)
(+) Transfer of interest and dividend income on deposits of premiums, etc.	㉑	(34,065)	(32,408)	1,656	—
(+) Gains and losses on derivatives	㉒	(10,455)	(5,754)	4,701	—
(+) Other investment income and expenses	㉓	(491)	6,577	7,068	—
Gross investment margin	㉔	102,095	112,274	10,179	10.0
(-) Operating, general and administrative expenses	㉕	214,839	206,242	(8,596)	(4.0)
(+) Other ordinary income and expenses	㉖	(3,922)	(5,587)	(1,665)	—
Ordinary profit	㉗	65,058	68,079	3,020	4.6
Extraordinary gains and losses:					
(+) Extraordinary gains	㉘	91	2,161	2,069	2,258.4
(-) Extraordinary losses	㉙	19,298	24,637	5,338	27.7
Extraordinary gains and losses	㉚	(19,206)	(22,475)	(3,268)	—
Net income before income taxes	㉛	45,852	45,603	(248)	(0.5)
(-) Income taxes	㉜	619	1,229	609	98.4
(-) Deferred income taxes	㉝	16,094	17,023	928	5.8
Total income taxes	㉞	16,714	18,253	1,538	9.2
Net income	㉟	29,137	27,350	(1,786)	(6.1)

Underwriting result:					
(+) Net premiums written	⑳	1,327,361	1,413,818	86,456	6.5
(-) Net claims paid	㉑	843,762	822,285	(21,477)	(2.5)
(-) Loss adjustment expenses	㉒	93,375	91,723	(1,652)	(1.8)
(-) Net operating expenses:	㉓	434,824	443,875	9,051	2.1
Net commissions and brokerage fees	㉔	228,951	245,153	16,201	7.1
Operating, general and administrative expenses related to underwriting	㉕	205,872	198,722	(7,149)	(3.5)
Underwriting result	㉖	(44,600)	55,933	100,534	—
Ratios:					
Net loss ratio (%)	㉗	70.6	64.6	(6.0)	/
Net operating expenses ratio (%)	㉘	32.8	31.4	(1.4)	
Underwriting result ratio (%)	㉙	(3.4)	4.0	7.3	
Return on investments (income base) (%)	㉚	2.28	2.20	(0.08)	
Return on investments (realized base) (%)	㉛	3.93	4.04	0.10	

Reference) Total return based on the fair value: Fiscal year ended March 31, 2013 8.01 %  
Fiscal year ended March 31, 2014 5.60 %

## Sampo Japan Insurance Inc. (Non-consolidated)

## Premiums Written and Claims Paid by Business Lines

Direct premiums written (excluding deposits of premiums by policyholders)

(Millions of yen)

Business line	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)			Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	196,039	13.9	4.4	205,731	13.7	4.9
Marine insurance	32,394	2.3	4.4	35,791	2.4	10.5
Personal accident insurance	133,516	9.4	1.2	135,147	9.0	1.2
Voluntary automobile insurance	657,014	46.5	2.2	686,858	45.8	4.5
Compulsory automobile liability insurance	204,552	14.5	3.5	228,111	15.2	11.5
Others	189,562	13.4	6.1	209,526	14.0	10.5
Total	1,413,080	100.0	3.1	1,501,167	100.0	6.2
Deposits of premiums by policyholders	104,804	—	(14.2)	108,361	—	3.4

## Net premiums written

(Millions of yen)

Business line	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)			Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	164,706	12.4	10.5	184,473	13.0	12.0
Marine insurance	26,263	2.0	6.5	29,739	2.1	13.2
Personal accident insurance	132,088	10.0	1.5	134,561	9.5	1.9
Voluntary automobile insurance	658,926	49.6	2.1	688,733	48.7	4.5
Compulsory automobile liability insurance	189,291	14.3	6.3	205,900	14.6	8.8
Others	156,084	11.8	1.5	170,408	12.1	9.2
Total	1,327,361	100.0	3.6	1,413,818	100.0	6.5

## Net claims paid

(Millions of yen)

Business line	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)			Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)		
	Amount	Rate of change	Net loss ratio	Amount	Rate of change	Net loss ratio
Fire and allied insurance	111,666	(44.7)	69.9	104,626	(6.3)	58.3
Marine insurance	15,786	(8.7)	63.9	17,967	13.8	63.9
Personal accident insurance	72,507	2.5	61.0	74,440	2.7	60.8
Voluntary automobile insurance	404,824	(0.3)	70.5	385,483	(4.8)	64.5
Compulsory automobile liability insurance	158,055	1.1	91.1	156,698	(0.9)	83.3
Others	80,922	(7.3)	56.2	83,068	2.7	52.7
Total	843,762	(10.2)	70.6	822,285	(2.5)	64.6

## Sompo Japan Insurance Inc. (Non-consolidated)

## Net Incurred Loss during the period due to Natural Disasters in Japan

(Millions of yen)

	Fiscal year ended March 31, 2013			Fiscal year ended March 31, 2014		
	Net claims paid	Reserve for outstanding losses and claims	Net incurred loss	Net claims paid	Reserve for outstanding losses and claims	Net incurred loss
Fire and allied insurance	28,224	3,267	31,492	25,304	29,091	54,396
Voluntary automobile insurance	6,897	284	7,182	5,578	2,957	8,535
Other than the above	603	89	693	662	1,566	2,229
Total	35,725	3,642	39,367	31,545	33,615	65,161

Note) Net incurred loss = Net claims paid + Reserve for outstanding losses and claims

Reserve for outstanding losses and claims represents amounts deducting reinsurance recoverable on unpaid loss from reserve for outstanding losses and claims of direct insurance and assumed reinsurance.

## Breakdown of Operating, General and Administrative Expenses and Loss Adjustment Expenses

(Millions of yen)

	Fiscal year ended March 31, 2013			Fiscal year ended March 31, 2014		
	Amount	Increase (Decrease)	Rate of change	Amount	Increase (Decrease)	Rate of change
Personnel expenses	169,064	(3,772)	(2.2)	162,993	(6,071)	(3.6)
Non-personnel expenses	127,071	4,476	3.7	122,426	(4,644)	(3.7)
Others (taxes and contributions)	12,078	(169)	(1.4)	12,545	467	3.9
Total	308,214	535	0.2	297,965	(10,249)	(3.3)

## Reserve for Outstanding Losses and Claims

(Millions of yen)

	Fiscal year ended March 31, 2013		Fiscal year ended March 31, 2014	
	Balance	Change	Balance	Change
Fire and allied insurance	72,079	(1,098)	101,910	29,830
Marine insurance	13,934	795	15,378	1,443
Personal accident insurance	59,526	(646)	61,268	1,741
Voluntary automobile insurance	284,770	(5,895)	290,460	5,689
Compulsory automobile liability insurance	59,296	(1,002)	60,256	960
Others	125,370	2,790	131,239	5,868
Total	614,979	(5,058)	660,514	45,534

## Ordinary Underwriting Reserves

(Millions of yen)

	Fiscal year ended March 31, 2013		Fiscal year ended March 31, 2014	
	Balance	Change	Balance	Change
Fire and allied insurance	418,391	4,906	428,165	9,774
Marine insurance	9,692	1,290	10,284	592
Personal accident insurance	87,745	3,526	91,844	4,098
Voluntary automobile insurance	189,917	4,597	202,677	12,759
Compulsory automobile liability insurance	280,878	(21,336)	276,165	(4,712)
Others	201,069	3,988	209,474	8,405
Total	1,187,694	(3,026)	1,218,611	30,917

Note) This table excludes reserve for maturity refunds and reserve for dividends to policyholders of savings-type insurance and includes underwriting reserves of earthquake insurance and compulsory automobile liability insurance.

## Catastrophic Loss Reserve

(Millions of yen)

	Fiscal year ended March 31, 2013				Fiscal year ended March 31, 2014			
	Reversal	Provision	Balance	Balance ratio	Reversal	Provision	Balance	Balance ratio
Fire and allied insurance	28,742	24,835	131,003	79.9	10,347	26,462	147,119	80.0
Marine insurance	—	978	26,977	102.7	475	1,295	27,798	93.5
Personal accident insurance	8,538	4,093	73,360	55.5	9,131	4,190	68,419	50.8
Voluntary automobile insurance	39,056	39,867	39,867	6.1	39,867	41,515	41,515	6.0
Others	5,855	7,110	106,730	68.4	2,521	9,052	113,261	66.5
Total	82,192	76,886	377,941	33.2	62,343	82,517	398,114	33.0

Note) Balance ratio = Balance of catastrophic loss reserve / Net premiums written (excluding earthquake insurance and compulsory automobile liability insurance) x 100

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## Overview of Financial Results for the fiscal year ended March 31, 2014

## Summary of Results of Operations

(Millions of yen)

		Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)	Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)	Increase (Decrease)	Rate of change
Ordinary income and expenses:					
Underwriting income and expenses:					
Direct premiums written (including deposits of premiums by policyholders)	①	728,297	742,706	14,409	2.0 %
Direct premiums written	②	687,196	710,382	23,186	3.4
(+) Net premiums written	③	638,863	668,375	29,512	4.6
(-) Net claims paid	④	436,647	413,767	(22,880)	(5.2)
(-) Loss adjustment expenses	⑤	41,334	39,260	(2,073)	(5.0)
(-) Net commissions and brokerage fees	⑥	111,787	118,586	6,798	6.1
(+) Deposits of premiums by policyholders	⑦	41,100	32,324	(8,776)	(21.4)
(+) Interest and dividend income on deposits of premiums, etc.	⑧	17,241	16,525	(716)	(4.2)
(-) Maturity refunds and dividends to policyholders	⑨	118,642	105,138	(13,503)	(11.4)
(-) Provision for (reversal of) reserve for outstanding losses and claims	⑩	(20,448)	18,828	39,276	—
(-) Provision for (reversal of) underwriting reserves	⑪	(110,294)	(58,399)	51,895	—
(+) Other underwriting income and expenses	⑫	1,264	787	(477)	(37.8)
Gross underwriting margin	⑬	120,802	80,830	(39,971)	(33.1)
Operating, general and administrative expenses related to underwriting	⑭	110,831	108,463	(2,368)	(2.1)
Other income and expenses	⑮	(1,184)	(2,092)	(908)	—
Underwriting profit (loss)	⑯	8,786	(29,725)	(38,511)	(438.3)
Investment income and expenses:					
(+) Interest and dividend income	⑰	39,183	40,640	1,457	3.7
(+) Investment gains and losses on money trusts	⑱	924	1,602	678	73.4
(+) Gains and losses on sales of securities	⑲	33,351	54,706	21,354	64.0
(-) Impairment losses on securities	⑳	1,495	126	(1,369)	(91.5)
(+) Transfer of interest and dividend income on deposits of premiums, etc.	㉑	(17,241)	(16,525)	716	—
(+) Gains and losses on derivatives	㉒	2,450	(1,765)	(4,215)	(172.0)
(+) Other investment income and expenses	㉓	666	1,905	1,239	186.0
Gross investment margin	㉔	57,838	80,438	22,599	39.1
(-) Operating, general and administrative expenses	㉕	114,984	112,727	(2,256)	(2.0)
(+) Other ordinary income and expenses	㉖	924	1,144	220	23.9
Ordinary profit	㉗	64,580	49,685	(14,894)	(23.1)
Extraordinary gains and losses:					
(+) Extraordinary gains	㉘	2,058	1,740	(318)	(15.5)
(-) Extraordinary losses	㉙	18,823	22,114	3,290	17.5
Extraordinary gains and losses	㉚	(16,764)	(20,374)	(3,609)	—
Net income before income taxes	㉛	47,816	29,311	(18,504)	(38.7)
(-) Income taxes	㉜	356	424	67	18.9
(-) Deferred income taxes	㉝	14,126	6,713	(7,412)	(52.5)
Total income taxes	㉞	14,483	7,138	(7,345)	(50.7)
Net income	㉟	33,332	22,173	(11,158)	(33.5)

Underwriting result:					
(+) Net premiums written	⑳	638,863	668,375	29,512	4.6
(-) Net claims paid	㉑	436,647	413,767	(22,880)	(5.2)
(-) Loss adjustment expenses	㉒	41,334	39,260	(2,073)	(5.0)
(-) Net operating expenses:	㉓	222,618	227,049	4,430	2.0
Net commissions and brokerage fees	㉔	111,787	118,586	6,798	6.1
Operating, general and administrative expenses related to underwriting	㉕	110,831	108,463	(2,368)	(2.1)
Underwriting result	㉖	(61,738)	(11,701)	50,036	—
Ratios:					
Net loss ratio (%)	㉗	74.8	67.8	(7.0)	
Net operating expenses ratio (%)	㉘	34.8	34.0	(0.9)	
Underwriting result ratio (%)	㉙	(9.7)	(1.8)	7.9	
Return on investments (income base) (%)	㉚	2.15	2.34	0.18	
Return on investments (realized base) (%)	㉛	4.15	5.54	1.39	

Reference) Total return based on the fair value: Fiscal year ended March 31, 2013 9.78 %  
Fiscal year ended March 31, 2014 4.44 %



## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## Premiums Written and Claims Paid by Business Lines

Direct premiums written (excluding deposits of premiums by policyholders)

(Millions of yen)

Business line	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)			Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	125,189	18.2	4.0	131,993	18.6	5.4
Marine insurance	14,143	2.1	(3.4)	15,420	2.2	9.0
Personal accident insurance	47,997	7.0	(0.6)	46,924	6.6	(2.2)
Voluntary automobile insurance	322,433	46.9	1.3	325,482	45.8	0.9
Compulsory automobile liability insurance	90,038	13.1	4.9	97,880	13.8	8.7
Others	87,394	12.7	3.8	92,681	13.0	6.0
Total	687,196	100.0	2.3	710,382	100.0	3.4
Deposits of premiums by policyholders	41,100	—	(2.2)	32,324	—	(21.4)

## Net premiums written

(Millions of yen)

Business line	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)			Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	87,709	13.7	(3.1)	99,177	14.8	13.1
Marine insurance	13,542	2.1	(1.2)	15,907	2.4	17.5
Personal accident insurance	50,469	7.9	1.8	50,436	7.5	(0.1)
Voluntary automobile insurance	322,068	50.5	1.2	325,434	48.7	1.0
Compulsory automobile liability insurance	85,212	13.3	7.1	92,364	13.8	8.4
Others	79,861	12.5	1.1	85,054	12.7	6.5
Total	638,863	100.0	1.3	668,375	100.0	4.6

## Net claims paid

(Millions of yen)

Business line	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)			Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)		
	Amount	Rate of change	Net loss ratio	Amount	Rate of change	Net loss ratio
Fire and allied insurance	85,899	(35.5)	101.7	73,221	(14.8)	76.8
Marine insurance	5,684	(11.6)	43.4	7,510	32.1	48.3
Personal accident insurance	26,896	(7.8)	58.1	27,391	1.8	58.9
Voluntary automobile insurance	202,250	(1.8)	70.9	190,085	(6.0)	65.9
Compulsory automobile liability insurance	72,202	0.5	91.8	71,418	(1.1)	84.1
Others	43,713	(6.1)	59.0	44,139	1.0	55.6
Total	436,647	(11.4)	74.8	413,767	(5.2)	67.8

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## Net Incurred Loss during the period due to Natural Disasters in Japan

(Millions of yen)

	Fiscal year ended March 31, 2013			Fiscal year ended March 31, 2014		
	Net claims paid	Reserve for outstanding losses and claims	Net incurred loss	Net claims paid	Reserve for outstanding losses and claims	Net incurred loss
Fire and allied insurance	20,040	2,510	22,551	18,805	22,063	40,869
Voluntary automobile insurance	2,430	19	2,450	2,393	1,033	3,426
Other than the above	1,432	127	1,560	1,049	1,228	2,277
Total	23,904	2,657	26,561	22,248	24,325	46,574

Note) Net incurred loss = Net claims paid + Reserve for outstanding losses and claims

Reserve for outstanding losses and claims represents amounts deducting reinsurance recoverable on unpaid loss from reserve for outstanding losses and claims of direct insurance and assumed reinsurance.

## Breakdown of Operating, General and Administrative Expenses and Loss Adjustment Expenses

(Millions of yen)

	Fiscal year ended March 31, 2013			Fiscal year ended March 31, 2014		
	Amount	Increase (Decrease)	Rate of change	Amount	Increase (Decrease)	Rate of change
Personnel expenses	88,865	(1,225)	(1.4)	84,230	(4,635)	(5.2)
Non-personnel expenses	60,764	(1,817)	(2.9)	60,866	101	0.2
Others (taxes and contributions)	6,688	(143)	(2.1)	6,891	203	3.0
Total	156,318	(3,185)	(2.0)	151,988	(4,330)	(2.8)

## Reserve for Outstanding Losses and Claims

(Millions of yen)

	Fiscal year ended March 31, 2013		Fiscal year ended March 31, 2014	
	Balance	Change	Balance	Change
Fire and allied insurance	36,305	(20,320)	50,524	14,244
Marine insurance	5,024	(623)	5,809	786
Personal accident insurance	15,983	(137)	15,023	(1,467)
Voluntary automobile insurance	135,377	(1,018)	135,415	123
Compulsory automobile liability insurance	27,178	(552)	27,591	412
Others	61,648	2,203	65,943	4,727
Total	281,518	(20,448)	300,307	18,828

## Ordinary Underwriting Reserves

(Millions of yen)

	Fiscal year ended March 31, 2013		Fiscal year ended March 31, 2014	
	Balance	Change	Balance	Change
Fire and allied insurance	303,961	(5,228)	310,497	6,793
Marine insurance	3,793	(363)	4,343	645
Personal accident insurance	27,780	187	27,883	181
Voluntary automobile insurance	88,331	(2,862)	89,763	1,550
Compulsory automobile liability insurance	128,980	(8,918)	126,366	(2,613)
Others	77,533	833	79,996	2,613
Total	630,380	(16,353)	638,850	9,171

Note) This table excludes reserve for maturity refunds and reserve for dividends to policyholders of savings-type insurance and includes underwriting reserves of earthquake insurance and compulsory automobile liability insurance.

## Catastrophic Loss Reserve

(Millions of yen)

	Fiscal year ended March 31, 2013				Fiscal year ended March 31, 2014			
	Reversal	Provision	Balance	Balance ratio	Reversal	Provision	Balance	Balance ratio
Fire and allied insurance	40,244	8,722	63,198	72.5	23,040	11,923	52,081	52.7
Marine insurance	199	403	19,761	145.9	—	830	20,592	129.5
Personal accident insurance	2,137	1,582	13,072	25.9	2,638	1,586	12,020	23.8
Voluntary automobile insurance	21,857	22,141	22,141	6.9	22,141	22,357	22,357	6.9
Others	2,959	3,765	53,997	67.6	1,668	4,595	56,923	66.9
Total	67,398	36,616	172,172	31.1	49,490	41,293	163,975	28.5

Note) Balance ratio = Balance of catastrophic loss reserve / Net premiums written (excluding earthquake insurance and compulsory automobile liability insurance) × 100

## 2. Forecasts for the fiscal year ending March 31, 2015 (April 1, 2014 to March 31, 2015)

NKSJ Holdings, Inc. (Consolidated)

(Yen in hundred millions, %)

	Fiscal year ended March 31, 2014 Result	Fiscal year ending March 31, 2015 Forecast	Increase (Decrease)	Rate of change
Net premiums written	22,689	25,080	2,390	10.5
Life insurance premiums written	2,772	2,795	22	0.8
Ordinary profit	1,123	1,520	396	35.2
Net income:	441	330	(111)	(25.3)
Sampo Japan Nipponkoa	495	337	(157)	(31.8)
NKSJ Himawari Life Insurance, Inc.	80	75	(5)	(6.9)
Overseas consolidated subsidiaries	115	135	19	16.8
Consolidation adjustment, etc.	(250)	(218)	31	—
Dividends per share (annual)	60 yen	60 yen	— yen	—

Notes)

- NKSJ Holdings, Inc. will change its company name to "Sampo Japan Nipponkoa Holdings Inc." on September 1, 2014. NKSJ Himawari Life Insurance, Inc. will change its company name to "Sampo Japan Nipponkoa Himawari Life Insurance, Inc." on September 1, 2014 as well.
- The figures of "Sampo Japan Nipponkoa" in the above and below tables represent combined results of Sampo Japan Insurance Inc. and NIPPONKOA Insurance Co., Ltd. Sampo Japan Insurance Inc. and NIPPONKOA Insurance Co., Ltd. will merge on September 1, 2014, and the company name will be "Sampo Japan Nipponkoa Insurance Inc."
- In establishing NKSJ Holdings, Inc., the purchase method was applied to account for the business combination.  
"Consolidation adjustment, etc." in the above table includes amounts of adjustments following the application of the purchase method.

Sampo Japan Nipponkoa

(Yen in hundred millions, %)

	Fiscal year ended March 31, 2014 Result	Fiscal year ending March 31, 2015 Forecast	Increase (Decrease)	Rate of change
Net premiums written	20,821	21,741	919	4.4
(Excluding earthquake insurance and compulsory automobile liability insurance)	17,830	18,681	851	4.8
Net loss ratio	65.7	67.8	2.2	—
(Excluding earthquake insurance and compulsory automobile liability insurance)	62.7	65.4	2.7	—
Net operating expenses ratio	32.2	31.5	(0.8)	—
(Excluding earthquake insurance and compulsory automobile liability insurance)	34.2	33.3	(0.9)	—
Combined ratio	97.9	99.3	1.4	—
(Excluding earthquake insurance and compulsory automobile liability insurance)	96.9	98.7	1.8	—
Underwriting profit	(625)	422	1,047	—
Investment income and expenses	1,927	1,055	(872)	(45.3)
Ordinary profit	1,177	1,440	263	22.3
Net income	495	337	(157)	(31.8)

### 3. Overview of Business Results of Principal Consolidated Subsidiaries

#### Sompo Japan Insurance Inc. (Non-consolidated)

##### Balance Sheet

	(Millions of yen)		Increase (Decrease)
	As of March 31, 2013	As of March 31, 2014	
	Amount	Amount	
<b>Assets:</b>			
Cash and deposits:	238,184	187,388	(50,796)
Cash	3	2	(1)
Deposits	238,180	187,385	(50,795)
Call loans	56,700	60,000	3,300
Receivables under resale agreements	80,483	126,984	46,500
Monetary receivables bought	21,542	16,582	(4,960)
Money trusts	28,995	71,007	42,012
Securities:	3,184,642	3,264,956	80,314
Government bonds	869,545	786,454	(83,090)
Municipal bonds	7,259	4,435	(2,824)
Corporate bonds	415,123	362,256	(52,866)
Domestic stocks	995,062	1,007,125	12,062
Foreign securities	861,518	1,068,300	206,781
Other securities	36,132	36,384	252
Loans:	411,282	421,875	10,592
Policy loans	8,153	7,384	(768)
Ordinary loans	403,128	414,490	11,361
Tangible fixed assets:	208,482	205,255	(3,227)
Land	102,880	100,964	(1,915)
Buildings	78,651	74,732	(3,919)
Leased assets	4,979	5,639	660
Construction in progress	2,499	3,338	838
Other tangible fixed assets	19,471	20,580	1,108
Intangible fixed assets:	86	85	(0)
Other intangible fixed assets	86	85	(0)
Other assets:	411,065	446,010	34,945
Premiums receivable	2,292	1,312	(979)
Agency accounts receivable	100,970	103,591	2,621
Foreign agency accounts receivable	43,396	45,698	2,301
Coinsurance accounts receivable	10,813	20,701	9,888
Reinsurance accounts receivable	72,064	70,248	(1,816)
Foreign reinsurance accounts receivable	32,794	35,631	2,836
Proxy service receivable	0	0	(0)
Accounts receivable	27,824	28,612	787
Accrued income	6,639	8,009	1,370
Advance deposits	16,435	16,490	54
Earthquake insurance deposits	5,971	6,399	428
Suspense payments	87,877	104,567	16,689
Deposits paid for future transactions	2,694	3,178	483
Derivative assets	1,254	1,569	314
Other assets	35	1	(34)
Deferred tax assets	79,760	37,207	(42,553)
Customers' liabilities for acceptances and guarantees	35,200	12,299	(22,900)
Allowance for possible credit losses	(2,468)	(2,274)	194
Allowance for possible investment losses	(8,880)	(8,671)	209
<b>Total assets</b>	<b>4,745,077</b>	<b>4,838,707</b>	<b>93,629</b>

## Sampo Japan Insurance Inc. (Non-consolidated)

## Balance Sheet

	As of March 31, 2013	As of March 31, 2014	(Millions of yen) Increase (Decrease)
	Amount	Amount	
<b>Liabilities:</b>			
Underwriting funds:	3,376,310	3,427,295	50,985
Reserve for outstanding losses and claims	614,979	660,514	45,534
Underwriting reserves	2,761,331	2,766,781	5,450
Corporate bonds	261,560	261,560	—
Other liabilities:	257,692	242,712	(14,979)
Coinsurance accounts payable	4,566	4,276	(290)
Reinsurance accounts payable	57,976	66,469	8,493
Foreign reinsurance accounts payable	14,878	17,824	2,946
Proxy service payable	14	—	(14)
Borrowings	3,889	3,870	(18)
Income taxes payable	3,568	3,897	328
Deposits received	4,359	3,437	(921)
Unearned income	428	329	(98)
Accounts payable	90,891	68,977	(21,913)
Suspense receipts	53,129	57,752	4,622
Derivative liabilities	17,070	8,531	(8,538)
Lease obligations	5,282	5,674	391
Asset retirement obligations	1,635	1,669	34
Reserve for retirement benefits	76,187	74,330	(1,856)
Reserve for bonus payments	13,753	13,296	(457)
Reserve for bonus payments to directors	140	62	(78)
Reserves under the special laws:	19,388	24,611	5,222
Reserve for price fluctuation	19,388	24,611	5,222
Acceptances and guarantees	35,200	12,299	(22,900)
<b>Total liabilities</b>	<b>4,040,233</b>	<b>4,056,169</b>	<b>15,935</b>
<b>Net assets:</b>			
Shareholders' equity:			
Common stock	70,000	70,000	—
Capital surplus:	24,229	24,229	—
Capital reserves	24,229	24,229	—
Retained earnings:	169,069	180,970	11,900
Legal reserve	45,770	45,770	—
Other retained earnings:	123,299	135,199	11,900
Reserve for advanced depreciation	1,258	1,214	(43)
General reserve	83,300	83,300	—
Retained earnings carried forward	38,741	50,685	11,944
Total shareholders' equity	263,299	275,199	11,900
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	441,544	506,943	65,399
Deferred gains and losses on hedges	—	394	394
Total valuation and translation adjustments	441,544	507,338	65,793
<b>Total net assets</b>	<b>704,843</b>	<b>782,538</b>	<b>77,694</b>
<b>Total liabilities and net assets</b>	<b>4,745,077</b>	<b>4,838,707</b>	<b>93,629</b>

## Sampo Japan Insurance Inc. (Non-consolidated)

## Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)	Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)	Increase (Decrease)	Rate of change
	Amount	Amount		
				%
Ordinary income:	1,702,481	1,699,997	(2,483)	(0.1)
Underwriting income:	1,553,577	1,559,979	6,402	0.4
Net premiums written	1,327,361	1,413,818	86,456	6.5
Deposits of premiums by policyholders	104,804	108,361	3,557	3.4
Interest and dividend income on deposits of premiums, etc.	34,065	32,408	(1,656)	(4.9)
Reversal of reserve for outstanding losses and claims	5,058	—	(5,058)	(100.0)
Reversal of underwriting reserves	78,625	—	(78,625)	(100.0)
Foreign exchange gains	1,253	3,313	2,059	164.3
Other underwriting income	2,409	2,078	(330)	(13.7)
Investment income:	142,223	133,625	(8,597)	(6.0)
Interest and dividend income	79,498	78,110	(1,387)	(1.7)
Investment gains on money trusts	477	3,088	2,611	547.5
Investment gains on trading securities	128	99	(29)	(23.0)
Gains on sales of securities	93,914	75,114	(18,800)	(20.0)
Gains on redemption of securities	34	247	213	612.6
Foreign exchange gains	1,907	9,211	7,304	382.9
Other investment income	327	162	(165)	(50.5)
Transfer of interest and dividend income on deposits of premiums, etc.	(34,065)	(32,408)	1,656	—
Other ordinary income	6,681	6,392	(288)	(4.3)
Ordinary expenses:	1,637,422	1,631,918	(5,504)	(0.3)
Underwriting expenses:	1,371,853	1,392,345	20,492	1.5
Net claims paid	843,762	822,285	(21,477)	(2.5)
Loss adjustment expenses	93,375	91,723	(1,652)	(1.8)
Net commissions and brokerage fees	228,951	245,153	16,201	7.1
Maturity refunds to policyholders	203,020	179,584	(23,436)	(11.5)
Dividends to policyholders	7	6	(0)	(5.7)
Provision for reserve for outstanding losses and claims	—	45,534	45,534	—
Provision for underwriting reserves	—	5,450	5,450	—
Other underwriting expenses	2,735	2,607	(128)	(4.7)
Investment expenses:	40,127	21,350	(18,776)	(46.8)
Investment losses on money trusts	—	12	12	—
Losses on sales of securities	1,430	1,573	142	10.0
Impairment losses on securities	25,351	10,867	(14,484)	(57.1)
Losses on redemption of securities	256	121	(134)	(52.5)
Losses on derivatives	10,455	5,754	(4,701)	(45.0)
Other investment expenses	2,633	3,021	388	14.7
Operating, general and administrative expenses	214,839	206,242	(8,596)	(4.0)
Other ordinary expenses:	10,603	11,979	1,376	13.0
Interest paid	7,420	11,576	4,156	56.0
Losses on bad debt	8	6	(1)	(18.3)
Provision for allowance for possible investment losses	677	—	(677)	(100.0)
Other ordinary expenses	2,496	395	(2,100)	(84.1)
Ordinary profit	65,058	68,079	3,020	4.6

## Sompō Japan Insurance Inc. (Non-consolidated)

## Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)	Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)	Increase (Decrease)	Rate of change
	Amount	Amount		
Extraordinary gains:	91	2,161	2,069	2,258.4
Gains on disposal of fixed assets	91	2,161	2,069	2,258.4
Extraordinary losses:	19,298	24,637	5,338	27.7
Losses on disposal of fixed assets	367	1,136	768	209.2
Impairment losses	529	344	(185)	(35.0)
Provision for reserves under the special laws:	4,952	5,222	270	5.5
Provision for reserve for price fluctuation	4,952	5,222	270	5.5
Other extraordinary losses	13,449	17,933	4,484	33.3
Net income before income taxes	45,852	45,603	(248)	(0.5)
Income taxes	619	1,229	609	98.4
Deferred income taxes	16,094	17,023	928	5.8
Total income taxes	16,714	18,253	1,538	9.2
Net income	29,137	27,350	(1,786)	(6.1)
Underwriting result:				
Net premiums written (+)	1,327,361	1,413,818	86,456	6.5
Net claims paid (-)	843,762	822,285	(21,477)	(2.5)
Loss adjustment expenses (-)	93,375	91,723	(1,652)	(1.8)
Net operating expenses: (-)	434,824	443,875	9,051	2.1
Net commissions and brokerage fees	228,951	245,153	16,201	7.1
Operating, general and administrative expenses related to underwriting	205,872	198,722	(7,149)	(3.5)
Underwriting result	(44,600)	55,933	100,534	—
Underwriting profit (loss)	(25,704)	(32,844)	(7,140)	—
Ratios:				
Net loss ratio (%)	70.6	64.6	(6.0)	
Net operating expenses ratio (%)	32.8	31.4	(1.4)	
Underwriting result ratio (%)	(3.4)	4.0	7.3	

## Sampo Japan Insurance Inc. (Non-consolidated)

## Premiums Written and Claims Paid by Business Lines

Direct premiums written (excluding deposits of premiums by policyholders)

(Millions of yen)

Business line	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)			Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	196,039	13.9	4.4	205,731	13.7	4.9
Marine insurance	32,394	2.3	4.4	35,791	2.4	10.5
Personal accident insurance	133,516	9.4	1.2	135,147	9.0	1.2
Voluntary automobile insurance	657,014	46.5	2.2	686,858	45.8	4.5
Compulsory automobile liability insurance	204,552	14.5	3.5	228,111	15.2	11.5
Others	189,562	13.4	6.1	209,526	14.0	10.5
Total	1,413,080	100.0	3.1	1,501,167	100.0	6.2
Deposits of premiums by policyholders	104,804	—	(14.2)	108,361	—	3.4

## Net premiums written

(Millions of yen)

Business line	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)			Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	164,706	12.4	10.5	184,473	13.0	12.0
Marine insurance	26,263	2.0	6.5	29,739	2.1	13.2
Personal accident insurance	132,088	10.0	1.5	134,561	9.5	1.9
Voluntary automobile insurance	658,926	49.6	2.1	688,733	48.7	4.5
Compulsory automobile liability insurance	189,291	14.3	6.3	205,900	14.6	8.8
Others	156,084	11.8	1.5	170,408	12.1	9.2
Total	1,327,361	100.0	3.6	1,413,818	100.0	6.5

## Net claims paid

(Millions of yen)

Business line	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)			Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)		
	Amount	Rate of change	Net loss ratio	Amount	Rate of change	Net loss ratio
Fire and allied insurance	111,666	(44.7)	69.9	104,626	(6.3)	58.3
Marine insurance	15,786	(8.7)	63.9	17,967	13.8	63.9
Personal accident insurance	72,507	2.5	61.0	74,440	2.7	60.8
Voluntary automobile insurance	404,824	(0.3)	70.5	385,483	(4.8)	64.5
Compulsory automobile liability insurance	158,055	1.1	91.1	156,698	(0.9)	83.3
Others	80,922	(7.3)	56.2	83,068	2.7	52.7
Total	843,762	(10.2)	70.6	822,285	(2.5)	64.6



## Sompō Japan Insurance Inc. (Non-consolidated)

## Non-consolidated Solvency Margin Ratio

	(Millions of yen)	
	As of March 31, 2013	As of March 31, 2014
(A) Total Non-consolidated Solvency Margin	1,493,106	1,636,131
Capital and funds, etc.	263,299	275,199
Reserve for price fluctuation	19,388	24,611
Contingency reserve	611	611
Catastrophic loss reserve	385,026	405,552
General allowance for possible credit losses	215	148
Unrealized gains and losses on securities (before tax effect deductions)	571,425	647,211
Unrealized gains and losses on land	22,103	21,421
Excess amount of reserve for maturity refunds	—	—
Subordinated debt, etc.	261,560	261,560
Excess amount of reserve for maturity refunds and subordinated debt, etc. which are excluded from total solvency margin	—	—
Deductions	92,366	67,066
Others	61,841	66,880
(B) Total Non-consolidated Risks	462,503	458,707
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
Underwriting risk ( $R_1$ )	110,429	113,713
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance ( $R_2$ )	—	—
Guaranteed interest rate risk ( $R_3$ )	16,828	15,979
Investment risk ( $R_4$ )	279,657	298,150
Business management risk ( $R_5$ )	10,843	10,832
Major catastrophe risk ( $R_6$ )	135,276	113,795
(C) Non-consolidated Solvency Margin Ratio $[(A) / \{(B) \times 1/2\}] \times 100$	645.6 %	713.3 %

Note) The above amounts and figures are calculated based on provisions of Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Act and Public Notice No. 50 of the Ministry of Finance (1996).

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## Balance Sheet

	As of March 31, 2013	As of March 31, 2014	(Millions of yen) Increase (Decrease)
	Amount	Amount	
Assets:			
Cash and deposits:	135,943	138,361	2,417
Cash	76	73	(2)
Deposits	135,867	138,287	2,419
Call loans	10,000	15,000	5,000
Monetary receivables bought	426	368	(57)
Money trusts	38,783	26,811	(11,971)
Securities:	1,629,386	1,646,747	17,360
Government bonds	370,017	382,647	12,629
Municipal bonds	27,771	20,470	(7,300)
Corporate bonds	246,287	214,804	(31,483)
Domestic stocks	590,417	567,032	(23,385)
Foreign securities	374,941	455,752	80,810
Other securities	19,951	6,041	(13,910)
Loans:	188,452	157,267	(31,184)
Policy loans	4,648	4,158	(489)
Ordinary loans	183,803	153,108	(30,695)
Tangible fixed assets:	121,832	113,501	(8,331)
Land	63,754	58,082	(5,672)
Buildings	53,144	49,768	(3,375)
Leased assets	378	293	(85)
Construction in progress	62	—	(62)
Other tangible fixed assets	4,492	5,357	864
Intangible fixed assets:	514	514	(0)
Other intangible fixed assets	514	514	(0)
Other assets:	144,076	142,592	(1,483)
Premiums receivable	605	436	(169)
Agency accounts receivable	21,970	21,312	(658)
Foreign agency accounts receivable	9,674	4,640	(5,033)
Coinsurance accounts receivable	2,515	2,635	119
Reinsurance accounts receivable	32,820	30,585	(2,234)
Foreign reinsurance accounts receivable	18,003	20,850	2,847
Accounts receivable	12,069	13,244	1,174
Accrued income	4,338	4,269	(68)
Advance deposits	5,390	4,986	(403)
Earthquake insurance deposits	5,274	5,666	391
Suspense payments	18,989	23,402	4,412
Derivative assets	12,423	10,562	(1,860)
Prepaid pension cost	—	13	13
Deferred tax assets	25,441	20,534	(4,907)
Allowance for possible credit losses	(1,687)	(1,481)	205
Total assets	2,293,170	2,260,231	(32,938)

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## Balance Sheet

	As of March 31, 2013	As of March 31, 2014	(Millions of yen) Increase (Decrease)
	Amount	Amount	
<b>Liabilities:</b>			
Underwriting funds:	1,713,373	1,673,061	(40,311)
Reserve for outstanding losses and claims	281,518	300,307	18,789
Underwriting reserves	1,431,855	1,372,754	(59,101)
Other liabilities:	94,998	91,033	(3,964)
Coinsurance accounts payable	1,239	1,385	146
Reinsurance accounts payable	23,469	25,695	2,225
Foreign reinsurance accounts payable	3,188	7,187	3,999
Payables under securities lending transactions	10,040	—	(10,040)
Borrowings	950	722	(228)
Income taxes payable	1,827	1,865	37
Deposits received	1,388	1,298	(89)
Unearned income	853	1,042	189
Accounts payable	42,492	36,847	(5,644)
Suspense receipts	7,016	11,239	4,223
Derivative liabilities	1,813	3,131	1,318
Lease obligations	399	304	(94)
Asset retirement obligations	319	311	(7)
Other liabilities	0	0	—
Reserve for retirement benefits	24,020	22,576	(1,444)
Reserve for bonus payments	6,786	6,320	(465)
Reserve for bonus payments to directors	41	24	(17)
Reserves under the special laws:	13,849	16,417	2,567
Reserve for price fluctuation	13,849	16,417	2,567
<b>Total liabilities</b>	<b>1,853,069</b>	<b>1,809,433</b>	<b>(43,636)</b>
<b>Net assets:</b>			
Shareholders' equity:			
Common stock	91,249	91,249	—
Capital surplus:	21,702	21,702	—
Capital reserves	21,702	21,702	—
Retained earnings:	80,045	92,993	12,948
Legal reserve	46,444	48,289	1,845
Other retained earnings:	33,600	44,703	11,103
Reserve for advanced depreciation	3,208	3,122	(86)
Retained earnings carried forward	30,391	41,581	11,189
Total shareholders' equity	192,996	205,944	12,948
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	239,450	238,042	(1,408)
Deferred gains and losses on hedges	7,653	6,810	(843)
Total valuation and translation adjustments	247,104	244,853	(2,251)
<b>Total net assets</b>	<b>440,100</b>	<b>450,797</b>	<b>10,697</b>
<b>Total liabilities and net assets</b>	<b>2,293,170</b>	<b>2,260,231</b>	<b>(32,938)</b>

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)	Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)	Increase (Decrease)	Rate of change
	Amount	Amount		
Ordinary income:	897,046	868,809	(28,237)	(3.1)
Underwriting income:	829,442	776,629	(52,812)	(6.4)
Net premiums written	638,863	668,375	29,512	4.6
Deposits of premiums by policyholders	41,100	32,324	(8,776)	(21.4)
Interest and dividend income on deposits of premiums, etc.	17,241	16,525	(716)	(4.2)
Reversal of reserve for outstanding losses and claims	20,448	—	(20,448)	(100.0)
Reversal of underwriting reserves	110,294	58,399	(51,895)	(47.1)
Foreign exchange gains	1,432	977	(455)	(31.8)
Other underwriting income	59	28	(31)	(52.7)
Investment income:	66,213	90,520	24,307	36.7
Interest and dividend income	39,183	40,640	1,457	3.7
Investment gains on money trusts	1,005	1,833	827	82.3
Investment gains on trading securities	—	28	28	—
Gains on sales of securities	38,432	60,394	21,961	57.1
Gains on redemption of securities	450	2,044	1,593	353.5
Gains on derivatives	2,450	—	(2,450)	(100.0)
Foreign exchange gains	1,745	1,044	(700)	(40.1)
Other investment income	186	1,058	871	467.8
Transfer of interest and dividend income on deposits of premiums, etc.	(17,241)	(16,525)	716	—
Other ordinary income	1,390	1,659	268	19.3
Ordinary expenses:	832,465	819,123	(13,342)	(1.6)
Underwriting expenses:	708,639	695,799	(12,840)	(1.8)
Net claims paid	436,647	413,767	(22,880)	(5.2)
Loss adjustment expenses	41,334	39,260	(2,073)	(5.0)
Net commissions and brokerage fees	111,787	118,586	6,798	6.1
Maturity refunds to policyholders	118,589	105,035	(13,553)	(11.4)
Dividends to policyholders	52	103	50	94.9
Provision for reserve for outstanding losses and claims	—	18,828	18,828	—
Other underwriting expenses	227	218	(9)	(4.2)
Investment expenses:	8,374	10,082	1,707	20.4
Investment losses on money trusts	81	231	149	182.7
Losses on sales of securities	5,081	5,688	607	12.0
Impairment losses on securities	1,495	126	(1,369)	(91.5)
Losses on redemption of securities	839	132	(707)	(84.3)
Losses on derivatives	—	1,765	1,765	—
Other investment expenses	876	2,138	1,262	144.0
Operating, general and administrative expenses	114,984	112,727	(2,256)	(2.0)
Other ordinary expenses:	466	514	47	10.2
Interest paid	39	15	(23)	(60.1)
Losses on bad debt	0	5	4	504.4
Other ordinary expenses	426	492	66	15.6
Ordinary profit	64,580	49,685	(14,894)	(23.1)

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)	Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)	Increase (Decrease)	Rate of change
	Amount	Amount		
Extraordinary gains:	2,058	1,740	(318)	(15.5)
Gains on disposal of fixed assets	2,058	1,740	(318)	(15.5)
Extraordinary losses:	18,823	22,114	3,290	17.5
Losses on disposal of fixed assets	354	1,994	1,640	462.4
Impairment losses	2,908	3,677	768	26.4
Provision for reserves under the special laws:	2,560	2,567	7	0.3
Provision for reserve for price fluctuation	2,560	2,567	7	0.3
Other extraordinary losses	13,000	13,873	873	6.7
Net income before income taxes	47,816	29,311	(18,504)	(38.7)
Income taxes	356	424	67	18.9
Deferred income taxes	14,126	6,713	(7,412)	(52.5)
Total income taxes	14,483	7,138	(7,345)	(50.7)
Net income	33,332	22,173	(11,158)	(33.5)
<b>Underwriting result:</b>				
Net premiums written (+)	638,863	668,375	29,512	4.6
Net claims paid (-)	436,647	413,767	(22,880)	(5.2)
Loss adjustment expenses (-)	41,334	39,260	(2,073)	(5.0)
Net operating expenses: (-)	222,618	227,049	4,430	2.0
Net commissions and brokerage fees	111,787	118,586	6,798	6.1
Operating, general and administrative expenses related to underwriting	110,831	108,463	(2,368)	(2.1)
Underwriting result	(61,738)	(11,701)	50,036	-
Underwriting profit (loss)	8,786	(29,725)	(38,511)	(438.3)
<b>Ratios:</b>				
Net loss ratio (%)	74.8	67.8	(7.0)	
Net operating expenses ratio (%)	34.8	34.0	(0.9)	
Underwriting result ratio (%)	(9.7)	(1.8)	7.9	

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## Premiums Written and Claims Paid by Business Lines

Direct premiums written (excluding deposits of premiums by policyholders)

(Millions of yen)

Business line	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)			Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	125,189	18.2	4.0	131,993	18.6	5.4
Marine insurance	14,143	2.1	(3.4)	15,420	2.2	9.0
Personal accident insurance	47,997	7.0	(0.6)	46,924	6.6	(2.2)
Voluntary automobile insurance	322,433	46.9	1.3	325,482	45.8	0.9
Compulsory automobile liability insurance	90,038	13.1	4.9	97,880	13.8	8.7
Others	87,394	12.7	3.8	92,681	13.0	6.0
Total	687,196	100.0	2.3	710,382	100.0	3.4
Deposits of premiums by policyholders	41,100	—	(2.2)	32,324	—	(21.4)

## Net premiums written

(Millions of yen)

Business line	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)			Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	87,709	13.7	(3.1)	99,177	14.8	13.1
Marine insurance	13,542	2.1	(1.2)	15,907	2.4	17.5
Personal accident insurance	50,469	7.9	1.8	50,436	7.5	(0.1)
Voluntary automobile insurance	322,068	50.5	1.2	325,434	48.7	1.0
Compulsory automobile liability insurance	85,212	13.3	7.1	92,364	13.8	8.4
Others	79,861	12.5	1.1	85,054	12.7	6.5
Total	638,863	100.0	1.3	668,375	100.0	4.6

## Net claims paid

(Millions of yen)

Business line	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)			Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)		
	Amount	Rate of change	Net loss ratio	Amount	Rate of change	Net loss ratio
Fire and allied insurance	85,899	(35.5)	101.7	73,221	(14.8)	76.8
Marine insurance	5,684	(11.6)	43.4	7,510	32.1	48.3
Personal accident insurance	26,896	(7.8)	58.1	27,391	1.8	58.9
Voluntary automobile insurance	202,250	(1.8)	70.9	190,085	(6.0)	65.9
Compulsory automobile liability insurance	72,202	0.5	91.8	71,418	(1.1)	84.1
Others	43,713	(6.1)	59.0	44,139	1.0	55.6
Total	436,647	(11.4)	74.8	413,767	(5.2)	67.8

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## Non-consolidated Solvency Margin Ratio

	(Millions of yen)	
	As of March 31, 2013	As of March 31, 2014
(A) Total Non-consolidated Solvency Margin	710,509	724,387
Capital and funds, etc.	192,996	205,944
Reserve for price fluctuation	13,849	16,417
Contingency reserve	8	9
Catastrophic loss reserve	178,714	170,890
General allowance for possible credit losses	50	39
Unrealized gains and losses on securities (before tax effect deductions)	303,023	300,559
Unrealized gains and losses on land	13,706	17,709
Excess amount of reserve for maturity refunds	—	—
Subordinated debt, etc.	—	—
Excess amount of reserve for maturity refunds and subordinated debt, etc. which are excluded from total solvency margin	—	—
Deductions	11,769	11,769
Others	19,928	24,587
(B) Total Non-consolidated Risks	266,095	221,843
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
Underwriting risk ( $R_1$ )	57,467	57,602
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance ( $R_2$ )	0	0
Guaranteed interest rate risk ( $R_3$ )	9,261	8,773
Investment risk ( $R_4$ )	148,113	133,222
Business management risk ( $R_5$ )	6,145	5,258
Major catastrophe risk ( $R_6$ )	92,411	63,349
(C) Non-consolidated Solvency Margin Ratio $[(A) / \{(B) \times 1/2\}] \times 100$	534.0 %	653.0 %

Note) The above amounts and figures are calculated based on provisions of Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Act and Public Notice No. 50 of the Ministry of Finance (1996).

## Sonpo 24 Insurance Company Limited (Non-consolidated)

## Balance Sheet

	As of March 31, 2013	As of March 31, 2014	(Millions of yen) Increase (Decrease)
	Amount	Amount	
<b>Assets:</b>			
Cash and deposits:	2,169	3,076	907
Deposits	2,169	3,076	907
Securities:	17,196	17,320	124
Government bonds	6,196	17,220	11,024
Other securities	11,000	100	(10,900)
Tangible fixed assets:	161	229	68
Buildings	22	22	(0)
Other tangible fixed assets	138	207	69
Other assets:	957	1,075	117
Accounts receivable	778	878	100
Accrued income	2	7	5
Advance deposits	166	171	5
Suspense payments	11	17	6
<b>Total assets</b>	<b>20,484</b>	<b>21,703</b>	<b>1,218</b>
<b>Liabilities:</b>			
Underwriting funds:	11,892	13,232	1,339
Reserve for outstanding losses and claims	4,026	4,912	886
Underwriting reserves	7,866	8,319	453
Other liabilities:	1,912	2,168	256
Reinsurance accounts payable	7	6	(0)
Income taxes payable	40	42	1
Deposits received	8	8	0
Accounts payable	1,103	1,219	116
Suspense receipts	751	891	139
Reserve for retirement benefits	158	186	28
Reserve for bonus payments	90	93	3
Reserves under the special laws:	30	33	3
Reserve for price fluctuation	30	33	3
Deferred tax liabilities	12	8	(3)
<b>Total liabilities</b>	<b>14,096</b>	<b>15,723</b>	<b>1,627</b>
<b>Net assets:</b>			
Shareholders' equity:			
Common stock	19,000	19,000	—
Capital surplus:	19,000	19,000	—
Capital reserves	19,000	19,000	—
Retained earnings:	(31,639)	(32,040)	(400)
Other retained earnings:	(31,639)	(32,040)	(400)
Retained earnings carried forward	(31,639)	(32,040)	(400)
Total shareholders' equity	6,360	5,959	(400)
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	27	19	(8)
Total valuation and translation adjustments	27	19	(8)
<b>Total net assets</b>	<b>6,388</b>	<b>5,979</b>	<b>(408)</b>
<b>Total liabilities and net assets</b>	<b>20,484</b>	<b>21,703</b>	<b>1,218</b>



## Sonpo 24 Insurance Company Limited (Non-consolidated)

## Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)	Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)	Increase (Decrease)	Rate of change
	Amount	Amount		
Ordinary income:	13,415	13,830	415	3.1
Underwriting income:	13,031	13,808	777	6.0
Net premiums written	13,023	13,799	776	6.0
Interest and dividend income on deposits of premiums, etc.	7	8	1	13.1
Investment income:	383	21	(362)	(94.5)
Interest and dividend income	110	30	(80)	(72.8)
Gains on sales of securities	280	—	(280)	(100.0)
Transfer of interest and dividend income on deposits of premiums, etc.	(7)	(8)	(1)	—
Other ordinary income	0	0	0	7.2
Ordinary expenses:	13,566	14,221	655	4.8
Underwriting expenses:	10,574	11,120	546	5.2
Net claims paid	7,944	7,922	(21)	(0.3)
Loss adjustment expenses	924	943	18	2.0
Net commissions and brokerage fees	875	913	38	4.4
Provision for reserve for outstanding losses and claims	274	886	611	222.3
Provision for underwriting reserves	554	453	(100)	(18.1)
Other underwriting expenses	0	0	(0)	(0.3)
Operating, general and administrative expenses	2,990	3,101	111	3.7
Other ordinary expenses:	2	0	(1)	(90.1)
Other ordinary expenses	2	0	(1)	(90.1)
Ordinary loss	(151)	(391)	(240)	—
Extraordinary losses:	8	5	(3)	(42.8)
Losses on disposal of fixed assets	5	1	(3)	(70.5)
Provision for reserves under the special laws:	3	3	0	0.8
Provision for reserve for price fluctuation	3	3	0	0.8
Net loss before income taxes	(160)	(396)	(236)	—
Income taxes	3	3	—	—
Total income taxes	3	3	—	—
Net loss	(164)	(400)	(236)	—
Underwriting result:				
Net premiums written (+)	13,023	13,799	776	6.0
Net claims paid (—)	7,944	7,922	(21)	(0.3)
Loss adjustment expenses (—)	924	943	18	2.0
Net operating expenses: (—)	3,862	4,012	150	3.9
Net commissions and brokerage fees	875	913	38	4.4
Operating, general and administrative expenses related to underwriting	2,987	3,099	111	3.7
Underwriting result	290	920	629	216.4
Underwriting profit (loss)	(530)	(412)	117	—
Ratios:				
Net loss ratio (%)	68.1	64.3	(3.9)	
Net operating expenses ratio (%)	29.7	29.1	(0.6)	
Underwriting result ratio (%)	2.2	6.7	4.4	

## Sonpo 24 Insurance Company Limited (Non-consolidated)

## Premiums Written and Claims Paid by Business Lines

Direct premiums written (excluding deposits of premiums by policyholders)

(Millions of yen)

Business line	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)			Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	—	—	—	—	—	—
Marine insurance	—	—	—	—	—	—
Personal accident insurance	—	—	—	—	—	—
Voluntary automobile insurance	12,890	100.0	9.1	13,646	100.0	5.9
Compulsory automobile liability insurance	—	—	—	—	—	—
Others	—	—	—	—	—	—
Total	12,890	100.0	9.1	13,646	100.0	5.9
Deposits of premiums by policyholders	—	—	—	—	—	—

## Net premiums written

(Millions of yen)

Business line	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)			Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	—	—	—	—	—	—
Marine insurance	—	—	—	—	—	—
Personal accident insurance	—	—	—	—	—	—
Voluntary automobile insurance	12,798	98.3	9.1	13,547	98.2	5.9
Compulsory automobile liability insurance	224	1.7	16.6	252	1.8	12.3
Others	—	—	—	—	—	—
Total	13,023	100.0	9.3	13,799	100.0	6.0

## Net claims paid

(Millions of yen)

Business line	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)			Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)		
	Amount	Rate of change	Net loss ratio	Amount	Rate of change	Net loss ratio
Fire and allied insurance	—	—	—	—	—	—
Marine insurance	—	—	—	—	—	—
Personal accident insurance	—	—	—	—	—	—
Voluntary automobile insurance	7,707	8.5	67.4	7,675	(0.4)	63.6
Compulsory automobile liability insurance	237	4.8	105.8	247	4.4	98.3
Others	—	—	—	—	—	—
Total	7,944	8.4	68.1	7,922	(0.3)	64.3

## Sonpo 24 Insurance Company Limited (Non-consolidated)

## Non-consolidated Solvency Margin Ratio

	(Millions of yen)	
	As of March 31, 2013	As of March 31, 2014
(A) Total Non-consolidated Solvency Margin	6,837	6,453
Capital and funds, etc.	6,360	5,959
Reserve for price fluctuation	30	33
Contingency reserve	—	—
Catastrophic loss reserve	410	434
General allowance for possible credit losses	—	—
Unrealized gains and losses on securities (before tax effect deductions)	36	25
Unrealized gains and losses on land	—	—
Excess amount of reserve for maturity refunds	—	—
Subordinated debt, etc.	—	—
Excess amount of reserve for maturity refunds and subordinated debt, etc. which are excluded from total solvency margin	—	—
Deductions	—	—
Others	—	—
(B) Total Non-consolidated Risks	1,930	2,036
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
Underwriting risk ( $R_1$ )	1,678	1,793
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance ( $R_2$ )	—	—
Guaranteed interest rate risk ( $R_3$ )	—	—
Investment risk ( $R_4$ )	476	378
Business management risk ( $R_5$ )	68	69
Major catastrophe risk ( $R_6$ )	118	134
(C) Non-consolidated Solvency Margin Ratio $[(A) / \{(B) \times 1/2\}] \times 100$	708.1 %	633.9 %

Note) The above amounts and figures are calculated based on provisions of Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Act and Public Notice No. 50 of the Ministry of Finance (1996).

## Saison Automobile and Fire Insurance Company, Limited (Non-consolidated)

## Balance Sheet

	As of March 31, 2013	As of March 31, 2014	(Millions of yen) Increase (Decrease)
	Amount	Amount	
Assets:			
Cash and deposits:	1,834	2,887	1,053
Cash	5	0	(5)
Deposits	1,828	2,887	1,059
Money trusts	1,369	—	(1,369)
Securities:	29,041	31,932	2,890
Government bonds	11,592	14,098	2,505
Municipal bonds	1,894	2,287	392
Corporate bonds	7,027	5,970	(1,056)
Domestic stocks	139	56	(83)
Foreign securities	447	238	(209)
Other securities	7,939	9,281	1,341
Loans:	10	7	(3)
Policy loans	10	7	(3)
Tangible fixed assets:	256	254	(2)
Buildings	34	51	16
Leased assets	220	200	(20)
Other tangible fixed assets	1	2	1
Intangible fixed assets:	3,224	3,449	225
Software	3,183	3,421	238
Leased assets	33	21	(11)
Other intangible fixed assets	6	5	(1)
Other assets:	2,634	3,202	567
Premiums receivable	917	1,220	302
Agency accounts receivable	14	54	40
Coinsurance accounts receivable	13	12	(0)
Reinsurance accounts receivable	148	86	(61)
Foreign reinsurance accounts receivable	121	113	(7)
Accounts receivable	447	363	(84)
Accrued income	50	54	3
Advance deposits	346	314	(32)
Suspense payments	575	982	407
Allowance for possible credit losses	(0)	(0)	0
Total assets	38,371	41,733	3,361

## Saison Automobile and Fire Insurance Company, Limited (Non-consolidated)

## Balance Sheet

	As of March 31, 2013	As of March 31, 2014	(Millions of yen) Increase (Decrease)
	Amount	Amount	
<b>Liabilities:</b>			
Underwriting funds:	24,543	27,238	2,695
Reserve for outstanding losses and claims	5,234	6,717	1,483
Underwriting reserves	19,309	20,521	1,211
Other liabilities:	2,472	2,221	(250)
Coinsurance accounts payable	31	34	3
Reinsurance accounts payable	199	187	(12)
Foreign reinsurance accounts payable	235	231	(4)
Income taxes payable	74	82	7
Deposits received	15	3	(12)
Accounts payable	1,609	1,332	(277)
Suspense receipts	41	119	78
Lease obligations	264	232	(32)
Reserve for retirement benefits to directors	34	42	7
Reserve for bonus payments	228	211	(16)
Reserves under the special laws:	13	20	7
Reserve for price fluctuation	13	20	7
Deferred tax liabilities	255	146	(108)
<b>Total liabilities</b>	<b>27,546</b>	<b>29,880</b>	<b>2,334</b>
<b>Net assets:</b>			
Shareholders' equity:			
Common stock	15,110	20,110	5,000
Capital surplus:	13,348	18,347	4,999
Capital reserves	13,348	18,347	4,999
Other capital surplus	0	0	—
Retained earnings:	(18,378)	(27,017)	(8,639)
Other retained earnings:	(18,378)	(27,017)	(8,639)
Retained earnings carried forward	(18,378)	(27,017)	(8,639)
Total shareholders' equity	10,079	11,440	1,360
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	745	412	(333)
Total valuation and translation adjustments	745	412	(333)
<b>Total net assets</b>	<b>10,824</b>	<b>11,852</b>	<b>1,027</b>
<b>Total liabilities and net assets</b>	<b>38,371</b>	<b>41,733</b>	<b>3,361</b>

## Saison Automobile and Fire Insurance Company, Limited (Non-consolidated)

## Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)	Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)	Increase (Decrease)	Rate of change
	Amount	Amount		
Ordinary income:	18,243	19,819	1,575	8.6
Underwriting income:	17,653	19,250	1,597	9.0
Net premiums written	17,204	18,951	1,747	10.2
Deposits of premiums by policyholders	404	257	(146)	(36.2)
Interest and dividend income on deposits of premiums, etc.	44	41	(3)	(7.8)
Foreign exchange gains	—	0	0	—
Investment income:	202	508	305	151.0
Interest and dividend income	172	158	(13)	(7.8)
Investment gains on money trusts	45	30	(14)	(32.9)
Investment gains on trading securities	4	0	(4)	(98.7)
Gains on sales of securities	24	323	298	1,224.9
Gains on redemption of securities	—	24	24	—
Other investment income	1	12	11	779.0
Transfer of interest and dividend income on deposits of premiums, etc.	(44)	(41)	3	—
Other ordinary income	387	59	(327)	(84.5)
Ordinary expenses:	24,970	28,259	3,288	13.2
Underwriting expenses:	15,078	17,408	2,330	15.5
Net claims paid	9,004	10,997	1,993	22.1
Loss adjustment expenses	1,185	1,470	284	24.0
Net commissions and brokerage fees	1,470	1,355	(115)	(7.8)
Maturity refunds to policyholders	683	885	202	29.6
Provision for reserve for outstanding losses and claims	261	1,483	1,221	466.7
Provision for underwriting reserves	2,468	1,211	(1,256)	(50.9)
Foreign exchange losses	0	—	(0)	(100.0)
Other underwriting expenses	5	4	(0)	(12.4)
Investment expenses:	120	6	(113)	(94.4)
Losses on sales of securities	113	1	(112)	(98.6)
Losses on redemption of securities	0	—	(0)	(100.0)
Other investment expenses	6	5	(1)	(20.1)
Operating, general and administrative expenses	9,713	10,776	1,062	10.9
Other ordinary expenses:	58	67	9	15.7
Interest paid	11	8	(3)	(29.6)
Provision for allowance for possible credit losses	0	—	(0)	(100.0)
Other ordinary expenses	46	59	12	27.2
Ordinary loss	(6,727)	(8,439)	(1,712)	—
Extraordinary gains:	176	—	(176)	(100.0)
Other extraordinary gains	176	—	(176)	(100.0)
Extraordinary losses:	277	189	(88)	(31.7)
Losses on disposal of fixed assets	4	3	(1)	(27.7)
Impairment losses	2	1	(1)	(37.4)
Provision for reserves under the special laws:	7	7	(0)	(6.8)
Provision for reserve for price fluctuation	7	7	(0)	(6.8)
Other extraordinary losses	263	177	(85)	(32.4)
Net loss before income taxes	(6,828)	(8,629)	(1,800)	—
Income taxes	20	9	(10)	(52.9)
Total income taxes	20	9	(10)	(52.9)
Net loss	(6,849)	(8,639)	(1,790)	—
Underwriting result:				
Net premiums written (+)	17,204	18,951	1,747	10.2
Net claims paid (—)	9,004	10,997	1,993	22.1
Loss adjustment expenses (—)	1,185	1,470	284	24.0
Net operating expenses: (—)	10,665	12,104	1,439	13.5
Net commissions and brokerage fees	1,470	1,355	(115)	(7.8)
Operating, general and administrative expenses related to underwriting	9,194	10,749	1,554	16.9
Underwriting result	(3,650)	(5,621)	(1,971)	—
Underwriting profit (loss)	(6,561)	(8,873)	(2,311)	—
Ratios:				
Net loss ratio (%)	59.2	65.8	6.6	
Net operating expenses ratio (%)	62.0	63.9	1.9	
Underwriting result ratio (%)	(21.2)	(29.7)	(8.5)	

## Saison Automobile and Fire Insurance Company, Limited (Non-consolidated)

## Premiums Written and Claims Paid by Business Lines

Direct premiums written (excluding deposits of premiums by policyholders)

(Millions of yen)

Business line	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)			Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	3,365	17.2	(2.7)	2,483	11.9	(26.2)
Marine insurance	—	—	(100.0)	—	—	—
Personal accident insurance	4,379	22.3	(4.1)	4,131	19.7	(5.7)
Voluntary automobile insurance	10,893	55.5	36.3	13,329	63.7	22.4
Compulsory automobile liability insurance	60	0.3	(53.1)	(1)	(0.0)	(102.3)
Others	911	4.6	6.3	991	4.7	8.8
Total	19,610	100.0	15.3	20,935	100.0	6.8
Deposits of premiums by policyholders	404	—	(23.3)	257	—	(36.2)

## Net premiums written

(Millions of yen)

Business line	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)			Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	2,363	13.7	(3.1)	1,698	9.0	(28.1)
Marine insurance	26	0.2	(8.7)	27	0.1	7.0
Personal accident insurance	2,725	15.8	(2.4)	2,616	13.8	(4.0)
Voluntary automobile insurance	10,816	62.9	36.3	13,214	69.7	22.2
Compulsory automobile liability insurance	358	2.1	(19.8)	394	2.1	10.0
Others	914	5.3	9.2	1,000	5.3	9.4
Total	17,204	100.0	18.8	18,951	100.0	10.2

## Net claims paid

(Millions of yen)

Business line	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)			Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)		
	Amount	Rate of change	Net loss ratio	Amount	Rate of change	Net loss ratio
Fire and allied insurance	417	(41.7)	19.7	423	1.4	27.6
Marine insurance	16	(32.0)	61.8	48	202.7	174.8
Personal accident insurance	1,827	2.4	76.8	1,993	9.1	85.7
Voluntary automobile insurance	6,137	24.4	64.1	7,885	28.5	67.9
Compulsory automobile liability insurance	503	8.9	145.5	477	(5.1)	125.1
Others	102	(44.7)	17.2	169	65.6	24.5
Total	9,004	11.1	59.2	10,997	22.1	65.8

## Saison Automobile and Fire Insurance Company, Limited (Non-consolidated)

## Non-consolidated Solvency Margin Ratio

	(Millions of yen)	
	As of March 31, 2013	As of March 31, 2014
(A) Total Non-consolidated Solvency Margin	13,821	14,862
Capital and funds, etc.	10,079	11,440
Reserve for price fluctuation	13	20
Contingency reserve	11	11
Catastrophic loss reserve	2,812	2,882
General allowance for possible credit losses	—	—
Unrealized gains and losses on securities (before tax effect deductions)	900	503
Unrealized gains and losses on land	—	—
Excess amount of reserve for maturity refunds	—	—
Subordinated debt, etc.	—	—
Excess amount of reserve for maturity refunds and subordinated debt, etc. which are excluded from total solvency margin	—	—
Deductions	—	—
Others	4	4
(B) Total Non-consolidated Risks	2,315	2,647
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
Underwriting risk ( $R_1$ )	1,442	1,787
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance ( $R_2$ )	—	—
Guaranteed interest rate risk ( $R_3$ )	28	28
Investment risk ( $R_4$ )	825	824
Business management risk ( $R_5$ )	85	96
Major catastrophe risk ( $R_6$ )	554	570
(C) Non-consolidated Solvency Margin Ratio $[(A) / \{(B) \times 1/2\}] \times 100$	1,193.6 %	1,122.5 %

Note) The above amounts and figures are calculated based on provisions of Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Act and Public Notice No. 50 of the Ministry of Finance (1996).



## NKSJ Himawari Life Insurance, Inc. (Non-consolidated)

## Balance Sheet

(Millions of yen)

	As of March 31, 2013	As of March 31, 2014	Increase (Decrease)
	Amount	Amount	
Assets:			
Cash and deposits:	46,850	38,819	(8,031)
Cash	8	2	(6)
Deposits	46,842	38,816	(8,025)
Securities:	1,836,684	1,988,668	151,984
Government bonds	1,304,484	1,477,004	172,519
Municipal bonds	100,045	65,587	(34,457)
Corporate bonds	372,069	334,832	(37,236)
Domestic stocks	10,366	8,588	(1,777)
Foreign securities	49,718	102,655	52,936
Loans:	35,012	35,672	660
Policy loans	35,012	35,672	660
Tangible fixed assets:	1,411	1,228	(182)
Buildings	682	626	(55)
Leased assets	545	426	(118)
Other tangible fixed assets	183	175	(7)
Intangible fixed assets:	2,088	1,075	(1,013)
Software	2,088	1,075	(1,013)
Agency accounts receivable	179	125	(54)
Reinsurance accounts receivable	1,761	930	(831)
Other assets:	35,259	40,062	4,802
Accounts receivable	25,903	29,224	3,321
Prepaid expenses	1,090	1,267	177
Accrued income	4,893	5,414	521
Advance deposits	2,838	2,807	(31)
Derivative assets	112	86	(26)
Suspense payments	382	1,230	848
Other assets	38	30	(8)
Deferred tax assets	13,433	13,747	314
Allowance for possible credit losses	(49)	(43)	6
Total assets	1,972,630	2,120,286	147,655

## NKSJ Himawari Life Insurance, Inc. (Non-consolidated)

## Balance Sheet

(Millions of yen)

	As of March 31, 2013	As of March 31, 2014	Increase (Decrease)
	Amount	Amount	
<b>Liabilities:</b>			
Policy reserves:	1,856,426	1,995,280	138,853
Reserve for outstanding claims	28,345	31,850	3,504
Policy reserves	1,823,979	1,959,172	135,192
Reserve for dividends to policyholders	4,100	4,257	156
Agency accounts payable	3,711	3,253	(457)
Reinsurance accounts payable	1,254	1,026	(227)
Other liabilities:	11,886	13,353	1,466
Income taxes payable	3,497	3,068	(428)
Accounts payable	127	3,103	2,975
Accrued expenses	5,255	5,479	224
Deposits received	201	125	(76)
Derivative liabilities	13	262	248
Lease obligations	624	499	(125)
Suspense receipts	2,166	814	(1,351)
Reserve for bonus payments to directors	52	49	(2)
Reserve for retirement benefits	2,146	2,590	444
Reserves under the special laws:	2,218	2,688	469
Reserve for price fluctuation	2,218	2,688	469
<b>Total liabilities</b>	<b>1,877,696</b>	<b>2,018,241</b>	<b>140,545</b>
<b>Net assets:</b>			
Shareholders' equity:			
Common stock	17,250	17,250	—
Capital surplus:	30,000	30,000	—
Capital reserves	10,000	10,000	—
Other capital surplus	20,000	20,000	—
Retained earnings:	20,380	28,448	8,068
Other retained earnings:	20,380	28,448	8,068
Reserve under Article 10 of the Supplementary Provisions of Ordinance for Enforcement of the Insurance Business Act	325	325	—
Retained earnings carried forward	20,054	28,123	8,068
Total shareholders' equity	67,630	75,698	8,068
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	27,304	26,345	(958)
Total valuation and translation adjustments	27,304	26,345	(958)
<b>Total net assets</b>	<b>94,934</b>	<b>102,044</b>	<b>7,110</b>
<b>Total liabilities and net assets</b>	<b>1,972,630</b>	<b>2,120,286</b>	<b>147,655</b>

## NKSJ Himawari Life Insurance, Inc. (Non-consolidated)

## Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)	Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)	Increase (Decrease)	Rate of change
	Amount	Amount		
Ordinary income:	409,934	415,266	5,332	1.3
Insurance premiums and other:	370,725	372,878	2,153	0.6
Insurance premiums	365,613	369,504	3,890	1.1
Reinsurance income	5,111	3,374	(1,737)	(34.0)
Investment income:	36,875	40,618	3,742	10.1
Interest and dividend income and other:	32,810	35,565	2,754	8.4
Interest on deposits	0	—	(0)	(100.0)
Interest and dividends on securities	31,661	34,387	2,725	8.6
Interest on loans	1,138	1,168	30	2.6
Other interest and dividends	9	8	(1)	(11.0)
Gains on sales of securities	2,010	2,739	729	36.3
Foreign exchange gains	34	55	20	59.3
Reversal of allowance for possible credit losses	—	4	4	—
Investment gains on special account	2,019	2,252	233	11.5
Other ordinary income:	2,333	1,769	(563)	(24.2)
Fund receipt for annuity rider	1,143	353	(790)	(69.1)
Fund receipt for claim deposit payments	1,170	1,404	233	20.0
Other ordinary income	18	11	(7)	(40.1)
Ordinary expenses:	398,510	398,009	(501)	(0.1)
Insurance claims and other:	172,202	174,043	1,840	1.1
Insurance claims	32,488	33,561	1,073	3.3
Annuity payments	3,804	7,387	3,582	94.2
Insurance benefits	31,219	33,703	2,484	8.0
Surrender benefits	97,961	93,280	(4,680)	(4.8)
Other refunds	1,467	1,701	233	15.9
Reinsurance premiums	5,261	4,409	(852)	(16.2)
Provision for policy reserves and other:	138,573	138,697	124	0.1
Provision for reserve for outstanding claims	3,730	3,504	(225)	(6.1)
Provision for policy reserves	134,840	135,192	352	0.3
Provision for interest portion of reserve for dividends to policyholders	2	0	(2)	(91.1)
Investment expenses:	1,116	568	(547)	(49.0)
Interest paid	88	69	(18)	(21.1)
Losses on sales of securities	178	401	223	125.4
Impairment losses on securities	793	—	(793)	(100.0)
Losses on derivatives	30	67	37	122.8
Provision for allowance for possible credit losses	3	—	(3)	(100.0)
Other investment expenses	22	29	7	35.0
Operating expenses	82,213	80,100	(2,113)	(2.6)
Other ordinary expenses:	4,405	4,599	194	4.4
Claim deposit payments	838	1,047	208	24.9
Taxes	1,562	1,616	54	3.5
Depreciation	1,552	1,466	(86)	(5.6)
Provision for reserve for retirement benefits	427	444	16	3.9
Other ordinary expenses	23	24	0	4.0
Ordinary profit	11,423	17,257	5,833	51.1
Extraordinary gains:	0	—	(0)	(100.0)
Gains on disposal of fixed assets and other	0	—	(0)	(100.0)
Extraordinary losses:	349	545	196	56.1
Losses on disposal of fixed assets and other	12	76	64	533.1
Provision for reserves under the special laws:	337	469	131	39.1
Provision for reserve for price fluctuation	337	469	131	39.1
Provision for reserve for dividends to policyholders	3,404	3,465	61	1.8
Net income before income taxes	7,670	13,246	5,575	72.7
Income taxes	3,721	5,051	1,329	35.7
Deferred income taxes	(472)	126	599	—
Total income taxes	3,249	5,177	1,928	59.4
Net income	4,421	8,068	3,647	82.5

## NKSJ Himawari Life Insurance, Inc. (Non-consolidated)

## Major Business Results

## Total amount of policies in force

(Number in thousands, Yen in hundred millions, %)

	As of March 31, 2013				As of March 31, 2014			
	Number		Amount		Number		Amount	
		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year
Individual insurance	3,051	108.2	188,796	108.7	3,211	105.3	199,642	105.7
Individual annuities	70	99.8	2,850	100.2	70	99.1	2,812	98.7
Group insurance	—	—	31,171	100.5	—	—	31,424	100.8
Group annuities	—	—	—	—	—	—	—	—

Note) Amounts of "Individual annuities" represent the sums of annuity fund at the beginning of annuity payment of contracts before the beginning of annuity payment and policy reserves for the contracts after the beginning of annuity payment.

## Total amount of new policies

(Number in thousands, Yen in hundred millions, %)

	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)				Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)			
	Number		Amount		Number		Amount	
		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year
Individual insurance	410	91.0	30,326	102.7	339	82.6	26,275	86.6
Individual annuities	2	70.0	106	75.5	1	67.1	74	70.3
Group insurance	—	—	357	83.4	—	—	412	115.3
Group annuities	—	—	—	—	—	—	—	—

Notes)

1. Amounts of "Individual annuities" represent amounts of annuity fund at the beginning of annuity payment.
2. Percentages of previous fiscal year ended March 31, 2013 include the results of NIPPONKOA Life Insurance Company, Limited before the merger.

## Annualized premiums

## Policies in force

(Millions of yen, %)

	As of March 31, 2013		As of March 31, 2014	
		% of previous fiscal year		% of previous fiscal year
Individual insurance	283,952	105.1	290,889	102.4
Individual annuities	16,551	103.7	17,617	106.4
Total	300,504	105.0	308,507	102.7
Medical and survival benefits	108,455	106.2	113,524	104.7

## New policies

(Millions of yen, %)

	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)		Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)	
		% of previous fiscal year		% of previous fiscal year
Individual insurance	38,047	105.6	30,205	79.4
Individual annuities	458	61.2	290	63.5
Total	38,505	104.7	30,496	79.2
Medical and survival benefits	13,944	89.9	12,022	86.2

Notes)

1. Annualized premiums are calculated by using multipliers for various premium payment terms to the premium per payment. In single premium contracts, the amount is calculated by dividing the premium by the duration of the policy.
2. Annualized premiums for medical and survival benefits include (a) premium related to medical benefits such as hospitalization and surgery benefits, (b) premium related to survival benefits such as specific illness and nursing benefits, and (c) premium related to premium waiver benefits, in which disability cause is excluded but causes such as specific illness and nursing care are included.
3. Percentages of previous fiscal year ended March 31, 2013 include the results of NIPPONKOA Life Insurance Company, Limited before the merger.

## NKSJ Himawari Life Insurance, Inc. (Non-consolidated)

## Non-consolidated Solvency Margin Ratio

	(Millions of yen)	
	As of March 31, 2013	As of March 31, 2014
(A) Total Non-consolidated Solvency Margin	233,561	255,250
Capital, etc.	67,630	75,698
Reserve for price fluctuation	2,218	2,688
Contingency reserve	24,398	25,475
General allowance for possible credit losses	19	13
Unrealized gains and losses on securities (90% of gain or 100% of loss)	35,357	34,098
Unrealized gains and losses on land (85% of gain or 100% of loss)	—	—
Excess amount of continued Zillmerized reserve	121,943	129,606
Subordinated debt, etc.	—	—
Excess amount of continued Zillmerized reserve and subordinated debt, etc. which are excluded from total solvency margin	(27,386)	(25,368)
Brought in capital, etc.	—	—
Deductions	—	—
Others	9,379	13,037
(B) Total Non-consolidated Risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	30,032	32,244
Underwriting risk ( $R_1$ )	12,088	12,739
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance ( $R_8$ )	6,041	6,290
Guaranteed interest rate risk ( $R_2$ )	8,167	8,208
Guaranteed minimum benefit risk ( $R_7$ )	347	357
Investment risk ( $R_3$ )	14,389	16,366
Business management risk ( $R_4$ )	820	879
(C) Non-consolidated Solvency Margin Ratio $[(A) / \{(B) \times 1/2\}] \times 100$	1,555.3 %	1,583.2 %

Notes)

1. The above amounts and figures are calculated based on provisions of Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Act and Public Notice No. 50 of the Ministry of Finance (1996).
2. Guaranteed minimum benefit risk is calculated by using the standard method.

## Sampo Japan DIY Life Insurance Co., Ltd. (Non-consolidated)

## Balance Sheet

(Millions of yen)

	As of March 31, 2013	As of March 31, 2014	Increase (Decrease)
	Amount	Amount	
<b>Assets:</b>			
Cash and deposits:	2,348	1,757	(590)
Deposits	2,348	1,757	(590)
Securities:	2,394	2,891	496
Government bonds	1,473	1,970	496
Domestic stocks	5	5	—
Other securities	915	915	0
Tangible fixed assets:	27	45	18
Buildings	12	8	(3)
Leased assets	1	24	22
Other tangible fixed assets	13	12	(0)
Intangible fixed assets:	90	70	(20)
Software	90	70	(20)
Agency accounts receivable	0	0	0
Reinsurance accounts receivable	12	22	10
Other assets:	242	247	4
Accounts receivable	177	182	5
Prepaid expenses	5	5	(0)
Accrued income	0	0	(0)
Advance deposits	57	56	(0)
Suspense payments	1	2	0
Other assets	0	0	(0)
Allowance for possible credit losses	(3)	(1)	1
<b>Total assets</b>	<b>5,113</b>	<b>5,033</b>	<b>(80)</b>
<b>Liabilities:</b>			
Policy reserves:	1,060	967	(92)
Reserve for outstanding claims	217	138	(79)
Policy reserves	842	828	(13)
Agency accounts payable	4	3	(0)
Reinsurance accounts payable	30	30	0
Other liabilities:	270	135	(134)
Income taxes payable	31	0	(30)
Accounts payable	0	0	0
Accrued expenses	233	107	(126)
Deposits received	2	1	(1)
Lease obligations	1	25	23
Suspense receipts	0	1	0
Reserve for retirement benefits	30	38	7
Reserves under the special laws:	18	19	0
Reserve for price fluctuation	18	19	0
Deferred tax liabilities	1	0	(0)
<b>Total liabilities</b>	<b>1,415</b>	<b>1,195</b>	<b>(219)</b>
<b>Net assets:</b>			
Shareholders' equity:			
Common stock	10,100	10,100	—
Capital surplus:	2,100	2,100	—
Capital reserves	2,100	2,100	—
Retained earnings:	(8,504)	(8,364)	139
Other retained earnings:	(8,504)	(8,364)	139
Retained earnings carried forward	(8,504)	(8,364)	139
Total shareholders' equity	3,695	3,835	139
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	2	1	(0)
Total valuation and translation adjustments	2	1	(0)
<b>Total net assets</b>	<b>3,698</b>	<b>3,837</b>	<b>139</b>
<b>Total liabilities and net assets</b>	<b>5,113</b>	<b>5,033</b>	<b>(80)</b>

## Sompō Japan DIY Life Insurance Co., Ltd. (Non-consolidated)

## Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)	Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)	Increase (Decrease)	Rate of change
	Amount	Amount		
Ordinary income:	4,073	3,999	(74)	(1.8)
Insurance premiums and other:	3,798	3,901	102	2.7
Insurance premiums	3,728	3,758	30	0.8
Reinsurance income	70	142	71	102.1
Investment income:	207	4	(202)	(97.6)
Interest and dividend income and other:	18	3	(14)	(80.6)
Interest and dividends on securities	18	3	(14)	(80.6)
Gains on sales of securities	188	—	(188)	(100.0)
Reversal of allowance for possible credit losses	—	1	1	—
Other ordinary income:	67	92	24	36.7
Reversal of reserve for outstanding claims	52	79	26	51.2
Reversal of policy reserves	15	13	(2)	(13.4)
Other ordinary income	0	0	0	180.3
Ordinary expenses:	3,500	3,850	349	10.0
Insurance claims and other:	1,204	1,608	403	33.5
Insurance claims	857	1,259	401	46.8
Insurance benefits	208	210	1	0.8
Other refunds	4	5	0	21.8
Reinsurance premiums	133	133	(0)	(0.1)
Investment expenses:	48	0	(48)	(99.5)
Interest paid	0	0	0	130.1
Losses on sales of securities	45	—	(45)	(100.0)
Provision for allowance for possible credit losses	3	—	(3)	(100.0)
Operating expenses	2,202	2,184	(18)	(0.8)
Other ordinary expenses:	45	57	12	27.3
Taxes	16	16	(0)	(0.1)
Depreciation	27	32	5	20.8
Provision for reserve for retirement benefits	1	7	5	373.4
Other ordinary expenses	—	0	0	—
Ordinary profit	572	148	(424)	(74.1)
Extraordinary gains:	—	0	0	—
Gains on disposal of fixed assets and other	—	0	0	—
Extraordinary losses:	0	1	0	72.6
Losses on disposal of fixed assets and other	0	0	0	189.0
Provision for reserves under the special laws:	0	0	0	20.5
Provision for reserve for price fluctuation	0	0	0	20.5
Net income before income taxes	572	147	(424)	(74.2)
Income taxes	32	7	(24)	(76.4)
Total income taxes	32	7	(24)	(76.4)
Net income	539	139	(399)	(74.1)

## Sampo Japan DIY Life Insurance Co., Ltd. (Non-consolidated)

## Major Business Results

## Total amount of policies in force

(Number in thousands, Yen in hundred millions, %)

	As of March 31, 2013				As of March 31, 2014			
	Number		Amount		Number		Amount	
		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year
Individual insurance	44	98.9	7,252	96.5	43	97.9	6,964	96.0
Individual annuities	—	—	—	—	—	—	—	—
Group insurance	—	—	—	—	—	—	—	—
Group annuities	—	—	—	—	—	—	—	—

## Total amount of new policies

(Number in thousands, Yen in hundred millions, %)

	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)				Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)			
	Number		Amount		Number		Amount	
		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year
Individual insurance	2	123.1	406	113.9	2	85.0	344	84.8
Individual annuities	—	—	—	—	—	—	—	—
Group insurance	—	—	—	—	—	—	—	—
Group annuities	—	—	—	—	—	—	—	—

## Annualized premiums

## Policies in force

(Millions of yen, %)

	As of March 31, 2013		As of March 31, 2014	
		% of previous fiscal year		% of previous fiscal year
Individual insurance	3,759	101.1	3,779	100.5
Individual annuities	—	—	—	—
Total	3,759	101.1	3,779	100.5
Medical and survival benefits	906	102.2	908	100.2

## New policies

(Millions of yen, %)

	Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)		Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)	
		% of previous fiscal year		% of previous fiscal year
Individual insurance	186	119.1	162	86.8
Individual annuities	—	—	—	—
Total	186	119.1	162	86.8
Medical and survival benefits	57	122.1	48	84.7

Notes)

- Annualized premiums are calculated by using multipliers for various premium payment terms to the premium per payment.
- Annualized premiums for medical and survival benefits include (a) premium related to medical benefits such as hospitalization and surgery benefits, (b) premium related to survival benefits such as specific illness, and (c) premium related to premium waiver benefits.



## Sampo Japan DIY Life Insurance Co., Ltd. (Non-consolidated)

## Non-consolidated Solvency Margin Ratio

	(Millions of yen)	
	As of March 31, 2013	As of March 31, 2014
(A) Total Non-consolidated Solvency Margin	4,224	4,345
Capital, etc.	3,695	3,835
Reserve for price fluctuation	18	19
Contingency reserve	507	488
General allowance for possible credit losses	—	—
Unrealized gains and losses on securities (90% of gain or 100% of loss)	2	2
Unrealized gains and losses on land (85% of gain or 100% of loss)	—	—
Excess amount of continued Zillmerized reserve	—	—
Subordinated debt, etc.	—	—
Excess amount of continued Zillmerized reserve and subordinated debt, etc. which are excluded from total solvency margin	—	—
Brought in capital, etc.	—	—
Deductions	—	—
Others	—	—
(B) Total Non-consolidated Risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	529	510
Underwriting risk ( $R_1$ )	411	395
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance ( $R_8$ )	93	90
Guaranteed interest rate risk ( $R_2$ )	0	0
Guaranteed minimum benefit risk ( $R_7$ )	—	—
Investment risk ( $R_3$ )	81	85
Business management risk ( $R_4$ )	17	17
(C) Non-consolidated Solvency Margin Ratio [ (A) / {(B) × 1/2} ] × 100	1,596.1 %	1,700.9 %

Note) The above amounts and figures are calculated based on provisions of Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Act and Public Notice No. 50 of the Ministry of Finance (1996).

## Supplementary Explanation

## &lt; Calculation of returns &gt;

The calculation methods of “Return on investments (income base)”, “Return on investments (realized base)” and “Total return based on the fair value” are as follows.

## 1. Return on investments (income base)

The results of investment activities are shown from the point of view of income earned (interest and dividend income earned).

Numerator is based on interest and dividend income related to investment assets. Denominator is based on cost of investment assets.

Numerator = Interest and dividend income (including amounts which correspond to interest and dividend income of investment gains and losses on money trusts)

Denominator = Average balances of investment assets based on the cost or the amortized cost

## 2. Return on investments (realized base)

The results of investment activities are shown from the point of view of the contribution to periodic gains and losses of the period (statement of income).

Numerator is based on realized gains and losses. Denominator is based on cost of investment assets.

Numerator = Investment income + Interest and dividend income on deposits of premiums, etc. - Investment expenses

Denominator = Average balances of investment assets based on the cost or the amortized cost

## 3. Total return based on the fair value (reference)

The return on investment based on fair value is shown.

Numerator is based on realized gains and losses and changes in unrealized gains and losses on investment assets.

Denominator is based on fair value of investment assets.

Numerator = (Investment income + Interest and dividend income on deposits of premiums, etc. - Investment expenses) + (Unrealized gains and losses at the end of this period\* - Unrealized gains and losses at the end of the previous period\*) + Increase or decrease in deferred gains and losses on hedges

Denominator = Average balances of investment assets based on the cost or the amortized cost + Unrealized gains and losses at the end of the previous period\* + Unrealized gains and losses on trading securities at the end of the previous period

\* Unrealized gains and losses relate to securities available for sale, monetary receivables bought and money trusts classified as other than trading purposes or held to maturity. The amount is based on before tax effect deductions.

## &lt; Calculation of ratios, etc. &gt;

- Underwriting profit = Underwriting income - Underwriting expenses - Operating, general and administrative expenses related to underwriting + Other income and expenses\*

\*Other income and expenses include, but not limited to, income tax expenses for compulsory automobile liability insurance.

- Net loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written × 100
- Net operating expenses ratio = (Net commissions and brokerage fees + Operating, general and administrative expenses related to underwriting) / Net premiums written × 100
- Underwriting result ratio = (Net premiums written - Net claims paid - Loss adjustment expenses - Net operating expenses) / Net premiums written × 100

## &lt; Non-consolidated solvency margin ratio &gt;

- In addition to reserves to cover payments for claims, benefits and maturity refunds, etc., it is necessary for insurance companies to maintain sufficient solvency in order to cover against risks which exceed their normal estimates, i.e. occurrence of major catastrophes, fluctuation in mortality rate due to significant changes in key environmental factors and big decline in value of assets held by insurance companies.

- (C) Non-consolidated Solvency Margin Ratio, which is calculated in accordance with the Insurance Business Act, etc. is the ratio of "solvency margin of insurance companies by means of their capital, reserves, etc." ((A) Total Non-consolidated Solvency Margin) to "risks which exceed their normal estimates" ((B) Total Non-consolidated Risks).

- "Risks which exceed their normal estimates" are composed of risks described below.

- <1> Underwriting risk, Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance:

- Risks of rate of occurrence of insurance claims, etc. in excess of normal estimates (excluding risks relating to major catastrophes)

- <2> Guaranteed interest rate risk:

- Risks of invested assets failing to yield assumed interest rates due to the aggravation of investment conditions

- <3> Investment risk:

- Risks of securities and other assets held fluctuating in prices in excess of normal estimates

- <4> Business management risk:

- Risks beyond normal estimates arising from business management that do not fall under other categories

- <5> Major catastrophe risk:

- Risks of the occurrence of major catastrophic losses in excess of normal estimates (risks such as the Great Kanto Earthquake or Isewan Typhoon)

- <6> Guaranteed minimum benefit risk:

- Risks of special account assets fluctuating in prices in excess of normal estimates

- "Solvency margin of insurance companies by means of their capital, reserves, etc." (total non-consolidated solvency margin) is the sum of total net assets (excluding planned outflows), certain reserves (reserve for price fluctuation, contingency reserve and catastrophic loss reserve, etc.) and parts of unrealized gains and losses on land, etc.

- Solvency margin ratio is one of the indicators for the regulatory authorities to monitor financial soundness of insurance companies. Solvency margin ratio exceeding 200% would indicate adequate capability to meet payments of possible insurance claims and others.

#### 4. Supplementary Data about Financial Results for the fiscal year ended March 31, 2014 at Press Conference

Sompo Japan Insurance Inc. (Non-consolidated)

(1) Key figures

(Yen in hundred millions)

	Fiscal year ended March 31, 2013	Six months ended September 30, 2013	Fiscal year ended March 31, 2014	Increase (Decrease)	
				(C) - (A)	(C) - (B)
	(A)	(B)	(C)		
① Net premiums written	13,273	7,035	14,138	864	—
Rate of change	3.6 %	5.1 %	6.5 %	2.9 %	1.4 %
② Total assets	47,450	48,055	48,387	936	331
③ Loss ratio	70.6 %	62.9 %	64.6 %	(6.0)%	1.8 %
④ Operating expenses ratio	32.8 %	31.7 %	31.4 %	(1.4)%	(0.3)%
⑤ Combined ratio	103.4 %	94.6 %	96.0 %	(7.3)%	1.5 %
Underwriting result ratio	(3.4)%	5.4 %	4.0 %	7.3 %	(1.5)%
⑥ Voluntary automobile insurance					
• Net premiums written	6,589	3,396	6,887	298	—
Rate of change	2.1 %	3.6 %	4.5 %	2.4 %	1.0 %
• Underwriting result ratio	(3.6)%	3.9 %	4.1 %	7.7 %	0.2 %
• Loss ratio	70.5 %	64.1 %	64.5 %	(6.0)%	0.4 %
• Operating expenses ratio	33.1 %	32.0 %	31.4 %	(1.7)%	(0.7)%
⑦ Fire and allied insurance					
• Net premiums written	1,647	843	1,844	197	—
Rate of change	10.5 %	12.8 %	12.0 %	1.5 %	(0.8)%
• Underwriting result ratio	(10.8)%	3.4 %	1.2 %	12.0 %	(2.2)%
• Loss ratio	69.9 %	54.9 %	58.3 %	(11.6)%	3.4 %
• Operating expenses ratio	40.9 %	41.6 %	40.5 %	(0.4)%	(1.2)%
⑧ Number of employees	17,825	17,293	17,084	(741)	(209)
⑨ Number of agencies	42,356	49,126	51,071	8,715	1,945

<Reference> Consolidated figures of NKSJ Holdings, Inc.

(Yen in hundred millions)

	Fiscal year ended March 31, 2013	Six months ended September 30, 2013	Fiscal year ended March 31, 2014	Increase (Decrease)	
				(C) - (A)	(C) - (B)
	(A)	(B)	(C)		
① Ordinary income	28,432	14,596	30,083	1,651	—
② Net premiums written	20,626	11,189	22,689	2,063	—
Rate of change	4.5%	7.7%	10.0%	5.5%	2.3 %
③ Life insurance premiums written	2,647	1,339	2,772	124	—
Rate of change	5.8%	8.0%	4.7%	(1.1)%	(3.3)%
④ Ordinary profit	1,047	537	1,123	76	—
⑤ Net income	436	291	441	5	—

Notes)

1. Loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written × 100
2. Operating expenses ratio = (Net commissions and brokerage fees + Operating, general and administrative expenses related to underwriting) / Net premiums written × 100
3. Combined ratio = Loss ratio + Operating expenses ratio
4. Underwriting result ratio = 100 - Combined ratio
5. Items with % within "Increase (Decrease)" represent change from the fiscal year ended March 31, 2013 and the six months ended September 30, 2013, respectively.

## Sompo Japan Insurance Inc. (Non-consolidated)

## (2) Other figures

## ① Non-performing assets

## Risk-monitored loans

(Yen in hundred millions)

	As of March 31, 2013	As of September 30, 2013	As of March 31, 2014
Loans to borrowers in bankruptcy	0	0	0
Overdue loans	5	4	4
Loans overdue for three months or more	—	—	—
Restructured loans	2	0	0
Total	8	5	4
Percent of total loans	0.2%	0.1%	0.1%

(Reference) Total loans	4,112	4,112	4,218
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## Results of self-assessment

(Yen in hundred millions)

	As of March 31, 2013	As of September 30, 2013	As of March 31, 2014
No category	46,166	47,129	47,563
Category II	489	483	453
Category III	98	97	95
Category IV	265	123	21
Subtotal (Category II-IV)	852	703	570
Total	47,018	47,832	48,133

Note) The above figures represent amounts before write-off (before recognition of impairment losses). Impairment losses on securities are included in "Category IV."

## ② Impairment losses on securities

(Yen in hundred millions)

	Fiscal year ended March 31, 2013	Six months ended September 30, 2013	Fiscal year ended March 31, 2014
Domestic bonds	—	—	—
Domestic stocks	253	101	100
Foreign securities	0	7	7
Others	—	—	—
Total	253	108	108

Note) Besides the above, impairment losses on trust assets (securities) in money trusts amount to 1 hundred million yen for the six months ended September 30, 2013 and 0 hundred million yen for the fiscal year ended March 31, 2014.  
These amounts are recognized in "Investment gains on money trusts" and "Investment losses on money trusts" in the statement of income.

## Applied rules of impairment loss recognition

Basically, Sompo Japan recognizes impairment losses on securities if fair value declines by 30% or more from book value.

## ③ Impairment losses on fixed assets

(Yen in hundred millions)

	Fiscal year ended March 31, 2013	Six months ended September 30, 2013	Fiscal year ended March 31, 2014
Land	4	1	3
Buildings	0	0	0
Others	—	—	—
Total	5	2	3

## Sompo Japan Insurance Inc. (Non-consolidated)

## ④ Unrealized gains and losses on securities

(Yen in hundred millions)

	As of March 31, 2013	As of September 30, 2013	As of March 31, 2014
Domestic bonds	736	581	572
Domestic stocks	5,129	6,421	5,897
Foreign securities	383	347	649
Others	48	45	54
<b>Total</b>	<b>6,297</b>	<b>7,394</b>	<b>7,173</b>

Notes)

1. Unrealized gains and losses on monetary receivables bought are included in "Others" above.
2. Besides the above, unrealized gains and losses on trust assets (securities) in money trusts other than trading purposes or held to maturity amount to 11 hundred million yen as of March 31, 2013, 6 hundred million yen as of September 30, 2013, and 41 hundred million yen as of March 31, 2014.

## ⑤ Claims during the period due to natural disasters in Japan

(Yen in hundred millions)

	Fiscal year ended March 31, 2013	Six months ended September 30, 2013	Fiscal year ended March 31, 2014
Direct claims paid a	374	40	333
Net claims paid b	357	35	315
Unpaid claims c	36	45	336
<b>Net incurred loss b + c</b>	<b>393</b>	<b>81</b>	<b>651</b>

Notes)

1. This table represents paid and unpaid claims during the period due to natural disasters in Japan.
2. Amounts of unpaid claims are calculated by deducting reinsurance recoverable on unpaid loss.

## ⑥ Catastrophic loss reserve

(Yen in hundred millions, %)

Business line	Fiscal year ended March 31, 2013			Six months ended September 30, 2013			Fiscal year ended March 31, 2014		
	Balance	Balance ratio	Provision	Balance	Balance ratio	Provision	Balance	Balance ratio	Provision
Fire and allied insurance	1,310	79.9	248	1,440	85.7	130	1,471	80.0	264
Marine insurance	269	102.7	9	276	91.9	6	277	93.5	12
Personal accident insurance	733	55.5	40	735	51.7	22	684	50.8	41
Voluntary automobile insurance	398	6.1	398	408	6.0	206	415	6.0	415
Others	1,067	68.4	71	1,103	59.3	49	1,132	66.5	90
<b>Total</b>	<b>3,779</b>	<b>33.2</b>	<b>768</b>	<b>3,964</b>	<b>32.9</b>	<b>415</b>	<b>3,981</b>	<b>33.0</b>	<b>825</b>

Notes)

1. Balance ratio = Balance of catastrophic loss reserve / Net premiums written (excluding household earthquake insurance and compulsory automobile liability insurance) × 100  
As for the six months ended September 30, 2013, net premiums written (excluding household earthquake insurance and compulsory automobile liability insurance) are doubled for the calculation of balance ratio.
2. Provision represents gross amounts before deducting reversal.

## ⑦ Claims paid due to the heavy snowfall in February 2014

(Yen in hundred millions)

	Fiscal year ended March 31, 2014
Net claims paid	135
Net incurred loss	444

Note) This table represents net claims paid and net incurred loss due to the heavy snowfall in February 2014 which are included in the table shown in "⑤ Claims during the period due to natural disasters in Japan".

## Sompo Japan Insurance Inc. (Non-consolidated)

## ⑧ Reinsurance assumed

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2013		Fiscal year ended March 31, 2014	
	Reinsurance premiums assumed	Reinsurance claims assumed	Reinsurance premiums assumed	Reinsurance claims assumed
Fire and allied insurance	358	220	513	239
Marine insurance	76	46	95	74
Personal accident insurance	16	9	19	9
Voluntary automobile insurance	32	25	32	24
Compulsory automobile liability insurance	1,312	1,580	1,506	1,566
Others	98	33	128	39
Total	1,896	1,915	2,295	1,954

## ⑨ Reinsurance ceded

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2013		Fiscal year ended March 31, 2014	
	Reinsurance premiums ceded	Reinsurance claims ceded	Reinsurance premiums ceded	Reinsurance claims ceded
Fire and allied insurance	671	343	726	167
Marine insurance	137	96	155	102
Personal accident insurance	31	17	25	16
Voluntary automobile insurance	13	13	13	6
Compulsory automobile liability insurance	1,465	1,739	1,728	1,763
Others	433	191	519	249
Total	2,753	2,401	3,169	2,305

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## (1) Key figures

(Yen in hundred millions)

	Fiscal year ended March 31, 2013	Six months ended September 30, 2013	Fiscal year ended March 31, 2014	Increase (Decrease)	Increase (Decrease)
	(A)	(B)	(C)	(C) - (A)	(C) - (B)
① Net premiums written	6,388	3,328	6,683	295	—
Rate of change	1.3 %	3.2 %	4.6 %	3.3 %	1.4 %
② Total assets	22,931	22,696	22,602	(329)	(94)
③ Loss ratio	74.8 %	66.1 %	67.8 %	(7.0)%	1.7 %
④ Operating expenses ratio	34.8 %	34.2 %	34.0 %	(0.9)%	(0.2)%
⑤ Combined ratio	109.7 %	100.3 %	101.8 %	(7.9)%	1.5 %
Underwriting result ratio	(9.7)%	(0.3)%	(1.8)%	7.9 %	(1.5)%
⑥ Voluntary automobile insurance					
• Net premiums written	3,220	1,622	3,254	33	—
Rate of change	1.2 %	0.4 %	1.0 %	(0.1)%	0.6 %
• Underwriting result ratio	(2.0)%	3.7 %	2.9 %	5.0 %	(0.8)%
• Loss ratio	70.9 %	65.0 %	65.9 %	(4.9)%	0.9 %
• Operating expenses ratio	31.2 %	31.3 %	31.2 %	(0.0)%	(0.1)%
⑦ Fire and allied insurance					
• Net premiums written	877	444	991	114	—
Rate of change	(3.1)%	11.5 %	13.1 %	16.1 %	1.5 %
• Underwriting result ratio	(48.8)%	(18.8)%	(21.3)%	27.5 %	(2.5)%
• Loss ratio	101.7 %	72.2 %	76.8 %	(24.9)%	4.6 %
• Operating expenses ratio	47.0 %	46.5 %	44.5 %	(2.6)%	(2.1)%
⑧ Number of employees	10,877	10,540	10,268	(609)	(272)
⑨ Number of agencies	26,824	26,652	26,390	(434)	(262)

## Notes)

1. Loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written × 100

2. Operating expenses ratio = (Net commissions and brokerage fees + Operating, general and administrative expenses related to underwriting) / Net premiums written × 100

3. Combined ratio = Loss ratio + Operating expenses ratio

4. Underwriting result ratio = 100 - Combined ratio

5. Items with % within "Increase (Decrease)" represent change from the fiscal year ended March 31, 2013 and the six months ended September 30, 2013, respectively.



## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## (2) Other figures

## ① Non-performing assets

## Risk-monitored loans

(Yen in hundred millions)

	As of March 31, 2013	As of September 30, 2013	As of March 31, 2014
Loans to borrowers in bankruptcy	1	1	0
Overdue loans	8	5	3
Loans overdue for three months or more	—	—	—
Restructured loans	2	0	0
Total	12	8	4
Percent of total loans	0.7%	0.5%	0.3%

(Reference) Total loans	1,884	1,740	1,572
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## Results of self-assessment

(Yen in hundred millions)

	As of March 31, 2013	As of September 30, 2013	As of March 31, 2014
No category	22,584	22,420	22,331
Category II	92	97	65
Category III	12	9	9
Category IV	28	8	5
Subtotal (Category II-IV)	133	116	81
Total	22,717	22,536	22,412

## Notes)

- The figures in Total represent amounts before written off or provisioned. The amount of Category III and IV are fully written off and/or provisioned.
- Since 6 hundred million yen included in Category IV as of September 30, 2012 was recorded as impairment losses on securities, etc., the amount is excluded from Category IV as of March 31, 2013.
- Since 0 hundred million yen included in Category IV as of September 30, 2013 was recorded as impairment losses on securities, the amount is excluded from Category IV as of March 31, 2014.

## ② Impairment losses on securities

(Yen in hundred millions)

	Fiscal year ended March 31, 2013	Six months ended September 30, 2013	Fiscal year ended March 31, 2014
Domestic bonds	3	—	—
Domestic stocks	11	1	0
Foreign securities	—	2	0
Others	0	—	—
Total	14	3	1

## Applied rules of impairment loss recognition

Basically, NIPPONKOA recognizes impairment losses on securities if fair value declines by 30% or more from book value.

## ③ Impairment losses on fixed assets

(Yen in hundred millions)

	Fiscal year ended March 31, 2013	Six months ended September 30, 2013	Fiscal year ended March 31, 2014
Land	21	19	24
Buildings	7	10	12
Others	—	—	—
Total	29	30	36

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## ④ Unrealized gains and losses on securities

(Yen in hundred millions)

	As of March 31, 2013	As of September 30, 2013	As of March 31, 2014
Domestic bonds	277	209	228
Domestic stocks	2,731	3,104	2,749
Foreign securities	327	238	383
Others	46	22	(0)
Total	3,382	3,575	3,361

Note) The above figures represent difference between costs and carrying amounts for securities available for sale (excluding securities available for sale which are considered extremely difficult to figure out their fair value).

## ⑤ Claims during the period due to natural disasters in Japan

(Yen in hundred millions)

	Fiscal year ended March 31, 2013	Six months ended September 30, 2013	Fiscal year ended March 31, 2014
Direct claims paid a	251	33	241
Net claims paid b	239	29	222
Unpaid claims c	26	44	243
Net incurred loss b + c	265	74	465

Notes)

1. This table represents paid and unpaid claims during the period due to natural disasters in Japan.
2. Amounts of unpaid claims are calculated by deducting reinsurance recoverable on unpaid loss from reserve for outstanding losses and claims.
3. Claims due to natural disasters include claims caused by earthquakes.

## ⑥ Catastrophic loss reserve

(Yen in hundred millions, %)

Business line	Fiscal year ended March 31, 2013			Six months ended September 30, 2013			Fiscal year ended March 31, 2014		
	Balance	Balance ratio	Provision	Balance	Balance ratio	Provision	Balance	Balance ratio	Provision
Fire and allied insurance	631	72.5	87	622	70.4	53	520	52.7	119
Marine insurance	197	145.9	4	199	129.6	4	205	129.5	8
Personal accident insurance	130	25.9	15	138	24.7	8	120	23.8	15
Voluntary automobile insurance	221	6.9	221	222	6.8	111	223	6.9	223
Others	539	67.6	37	555	61.4	24	569	66.9	45
Total	1,721	31.1	366	1,738	30.2	203	1,639	28.5	412

Notes)

1. Balance ratio = Balance of catastrophic loss reserve / Net premiums written (excluding household earthquake insurance and compulsory automobile liability insurance) × 100  
As for the six months ended September 30, 2013, net premiums written (excluding household earthquake insurance and compulsory automobile liability insurance) are doubled for the calculation of balance ratio.
2. Provision represents gross amounts before deducting reversal.

## ⑦ Claims paid due to the heavy snowfall in February 2014

(Yen in hundred millions)

	Fiscal year ended March 31, 2014
Net claims paid	73
Net incurred loss	286

Note) This table represents net claims paid and net incurred loss due to the heavy snowfall in February 2014 which are included in the table shown in "⑤ Claims during the period due to natural disasters in Japan".

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## ⑧ Reinsurance assumed

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2013		Fiscal year ended March 31, 2014	
	Reinsurance premiums assumed	Reinsurance claims assumed	Reinsurance premiums assumed	Reinsurance claims assumed
Fire and allied insurance	69	36	126	75
Marine insurance	25	12	37	28
Personal accident insurance	37	19	48	25
Voluntary automobile insurance	4	3	4	3
Compulsory automobile liability insurance	598	722	686	714
Others	21	10	22	7
Total	756	804	926	854

## ⑨ Reinsurance ceded

(Yen in hundred millions)

Business line	Fiscal year ended March 31, 2013		Fiscal year ended March 31, 2014	
	Reinsurance premiums ceded	Reinsurance claims ceded	Reinsurance premiums ceded	Reinsurance claims ceded
Fire and allied insurance	444	419	454	239
Marine insurance	31	15	32	40
Personal accident insurance	12	5	12	5
Voluntary automobile insurance	8	10	5	2
Compulsory automobile liability insurance	647	779	741	772
Others	97	34	98	40
Total	1,240	1,265	1,346	1,101