



**SOMPO**  
HOLDINGS

**UNOFFICIAL TRANSLATION**

This document is an unofficial English translation of the Japanese original.

Summary of  
Consolidated Financial Results  
for the fiscal year ended March 31, 2020  
Supplementary Information

May 20, 2020

Sompo Holdings, Inc.

( Securities Code : 8630 )

## 1. Overview of Consolidated Financial Results for the fiscal year ended March 31, 2020

(1) Sompo Holdings, Inc.

Overview of Consolidated Financial Results for the fiscal year ended March 31, 2020

(Yen in hundred millions)

|                                                                  |      | Fiscal year ended<br>March 31, 2019 | Fiscal year ended<br>March 31, 2020 | Increase<br>(Decrease) | Rate of change |
|------------------------------------------------------------------|------|-------------------------------------|-------------------------------------|------------------------|----------------|
| Ordinary income:                                                 | (1)  | 36,430                              | 37,603                              | 1,173                  | 3.2            |
| Net premiums written:                                            | (2)  | 27,181                              | 28,254                              | 1,073                  | 3.9            |
| Sompo Japan Insurance, Inc. <sup>(Note 3)</sup>                  | (3)  | 21,486                              | 21,847                              | 361                    | 1.7            |
| Overseas consolidated subsidiaries                               | (4)  | 5,194                               | 5,896                               | 702                    | 13.5           |
| Life insurance premiums written                                  | (5)  | 3,496                               | 3,560                               | 64                     | 1.8            |
| Ordinary profit:                                                 | (6)  | 1,989                               | 1,924                               | (65)                   | (3.3)          |
| Sompo Japan Insurance, Inc. <sup>(Note 3)</sup>                  | (7)  | 2,155                               | 1,823                               | (331)                  | (15.4)         |
| Net income attributable to shareholders of the parent:           | (8)  | 1,466                               | 1,225                               | (241)                  | (16.4)         |
| Sompo Japan Insurance Inc. <sup>(Note 3)</sup>                   | (9)  | 1,757                               | 1,305                               | (451)                  | (25.7)         |
| Overseas consolidated subsidiaries <sup>(Note 2)</sup>           | (10) | (61)                                | 753                                 | 814                    | —              |
| Sompo Himawari Life Insurance, Inc.                              | (11) | 153                                 | 165                                 | 11                     | 7.7            |
| Nursing care and healthcare consolidated subsidiaries            | (12) | 42                                  | 61                                  | 19                     | 47.0           |
| Others and consolidation adjustment, etc. <sup>(Note 1, 2)</sup> | (13) | (425)                               | (1,061)                             | (636)                  |                |

Notes)

- "Others and consolidation adjustment, etc." in the above table includes profits and losses of consolidated companies other than the above and adjustments due to consolidation adjustments, etc.
- Sompo International Holdings Ltd. among overseas consolidated subsidiaries has changed the accounting standard applied since the beginning of the fiscal year 2019 from US GAAP to International Financial Reporting Standards. Therefore, consolidated adjustment amount related to the market valuation by reorganization of Sompo International Holdings Ltd. that were required under US GAAP (minus 26.5 billion yen) is included in the result for the fiscal year ended March 31, 2019 and the same amount is excluded in "consolidation adjustment, etc."  
Due to differences in accounting standards, the amount to be revised in accordance with PITF No.18 "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries, etc. for Consolidated Financial Statements" (24.3 billion yen) is included in the result for the fiscal year ended March 31, 2020 and the same amount is excluded in "consolidation adjustment, etc."
- Sompo Japan Nipponkoa Insurance, Inc. changed its name to Sompo Japan Insurance, Inc. on April 1, 2020. (The following tables are the same.)

Net incurred loss (excluding household earthquake insurance) due to domestic natural disasters that occurred during the period in Sompo Japan Insurance Inc.

(Yen in hundred millions)

|                                                     |     | Fiscal year ended<br>March 31, 2019 | Fiscal year ended<br>March 31, 2020 | Increase<br>(Decrease) |
|-----------------------------------------------------|-----|-------------------------------------|-------------------------------------|------------------------|
| Net claims paid                                     | (1) | 1,586                               | 812                                 | (773)                  |
| Change in reserve for outstanding losses and claims | (2) | 192                                 | 119                                 | (73)                   |
| Net incurred loss                                   | (3) | 1,778                               | 932                                 | (846)                  |

## (2) Sampo Japan Insurance Inc.

## Summary of Results of Operations

(Yen in hundred millions)

|                                                                            | Fiscal year ended<br>March 31, 2019<br>(April 1, 2018 to<br>March 31, 2019) | Fiscal year ended<br>March 31, 2020<br>(April 1, 2019 to<br>March 31, 2020) | Increase<br>(Decrease) | Rate of<br>change |
|----------------------------------------------------------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------------------|-------------------|
| Ordinary income and expenses:                                              |                                                                             |                                                                             |                        | %                 |
| Underwriting income and expenses: <sup>(Note)</sup>                        |                                                                             |                                                                             |                        |                   |
| Direct premiums written                                                    | (1) 23,812                                                                  | 24,352                                                                      | 540                    | 2.3               |
| (+) Net premiums written                                                   | (2) 21,486                                                                  | 21,847                                                                      | 361                    | 1.7               |
| (-) Net claims paid                                                        | (3) 13,777                                                                  | 13,018                                                                      | (759)                  | (5.5)             |
| (-) Loss adjustment expenses                                               | (4) 1,219                                                                   | 1,153                                                                       | (65)                   | (5.4)             |
| (-) Net operating expenses:                                                | (5) 6,898                                                                   | 7,075                                                                       | 177                    | 2.6               |
| Net commissions and brokerage fees                                         | (6) 3,888                                                                   | 4,046                                                                       | 158                    | 4.1               |
| Operating, general and administrative expenses related to underwriting     | (7) 3,009                                                                   | 3,028                                                                       | 18                     | 0.6               |
| Underwriting result                                                        | (8) (409)                                                                   | 599                                                                         | 1,008                  | —                 |
| (-) Change in reserve for outstanding losses and claims                    | (9) (217)                                                                   | (265)                                                                       | (48)                   | —                 |
| (-) Change in Ordinary Underwriting Reserves                               | (10) 51                                                                     | 865                                                                         | 814                    | 1,576.1           |
| (-) Change in Catastrophic Loss Reserve                                    | (11) (547)                                                                  | (336)                                                                       | 210                    | —                 |
| (+) Other underwriting income and expenses                                 | (12) 116                                                                    | 95                                                                          | (21)                   | (18.2)            |
| Underwriting profit                                                        | (13) 419                                                                    | 431                                                                         | 11                     | 2.7               |
| Investment income and expenses:                                            |                                                                             |                                                                             |                        |                   |
| (+) Interest and dividend income                                           | (14) 1,346                                                                  | 1,371                                                                       | 25                     | 1.9               |
| (+) Transfer of interest and dividend income on deposits of premiums, etc. | (15) (381)                                                                  | (350)                                                                       | 30                     | —                 |
| Net interest and dividend income                                           | (16) 964                                                                    | 1,020                                                                       | 55                     | 5.8               |
| (+) Gains and losses on sales of securities                                | (17) 1,000                                                                  | 791                                                                         | (209)                  | (20.9)            |
| (-) Impairment losses on securities                                        | (18) 48                                                                     | 117                                                                         | 69                     | 144.1             |
| (+) Gains and losses on derivatives                                        | (19) (64)                                                                   | (92)                                                                        | (27)                   | —                 |
| (+) Other investment income and expenses                                   | (20) 45                                                                     | (93)                                                                        | (138)                  | (306.2)           |
| Gross investment margin                                                    | (21) 1,898                                                                  | 1,509                                                                       | (389)                  | (20.5)            |
| (+) Other ordinary income and expenses etc.                                | (22) (162)                                                                  | (116)                                                                       | 46                     | —                 |
| Ordinary profit                                                            | (23) 2,155                                                                  | 1,823                                                                       | (331)                  | (15.4)            |
| Extraordinary gains and losses:                                            |                                                                             |                                                                             |                        |                   |
| (+) Extraordinary gains                                                    | (24) 189                                                                    | 18                                                                          | (171)                  | (90.4)            |
| (-) Extraordinary losses                                                   | (25) 72                                                                     | 137                                                                         | 65                     | 90.1              |
| Extraordinary gains and losses                                             | (26) 116                                                                    | (119)                                                                       | (236)                  | (202.5)           |
| Net income before income taxes                                             | (27) 2,272                                                                  | 1,704                                                                       | (568)                  | (25.0)            |
| (-) Total income taxes                                                     | (28) 515                                                                    | 398                                                                         | (116)                  | (22.7)            |
| Net income                                                                 | (29) 1,757                                                                  | 1,305                                                                       | (451)                  | (25.7)            |
| Ratios:                                                                    |                                                                             |                                                                             |                        |                   |
| Net loss ratio                                                             | (30) 69.8                                                                   | 64.9                                                                        | (4.9)                  |                   |
| Net operating expenses ratio                                               | (31) 32.1                                                                   | 32.4                                                                        | 0.3                    |                   |
| Combined ratio                                                             | (32) 101.9                                                                  | 97.3                                                                        | (4.6)                  |                   |
| Return on investments (income base)                                        | (33) 2.45                                                                   | 2.50                                                                        | 0.04                   |                   |
| Return on investments (realized base)                                      | (34) 4.13                                                                   | 3.39                                                                        | (0.74)                 |                   |

Note) Profit or losses by maturity refunds, etc. of savings-type insurance are not included in underwriting income and expenses.

Reference) Total return based on the fair value: Fiscal year ended March 31, 2019 (0.12) %  
Fiscal year ended March 31, 2020 (1.44) %

## (3) Overseas consolidated subsidiaries

## Summary of Results of Major items

(Yen in hundred millions)

|                                                                                                                             | Fiscal year ended<br>March 31, 2019<br>(April 1, 2018 to<br>March 31, 2019) | Fiscal year ended<br>March 31, 2020<br>(April 1, 2019 to<br>March 31, 2020) | Increase<br>(Decrease) | Rate of<br>change |
|-----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------------------|-------------------|
| Net premiums written:                                                                                                       | (1) 5,194                                                                   | 5,896                                                                       | 702                    | 13.5              |
| (Sampo International) <sup>(Note 1)</sup>                                                                                   | (2) 4,743                                                                   | 5,431                                                                       | 687                    | 14.5              |
| Net income attributable to shareholders of the parent:                                                                      | (3) (61)                                                                    | 753                                                                         | 814                    | —                 |
| (Sampo International) <sup>(Note 1)</sup>                                                                                   | (4) (94)                                                                    | 715                                                                         | 810                    | —                 |
| The amount to be revised due to differences in accounting standards, which is excluded on consolidation <sup>(Note 2)</sup> | (5) 265                                                                     | (243)                                                                       | (508)                  | (192.0)           |
| Reference: Adjusted net income attributable to shareholders of the parent (3)+(5)                                           | (6) 203                                                                     | 509                                                                         | 305                    | 150.0             |
| (Sampo International) (4)+(5) <sup>(Note 1)</sup>                                                                           | (7) 170                                                                     | 472                                                                         | 301                    | 177.2             |

Notes)

- Results of "Sampo International" for the fiscal year ended March 31, 2019 and 2020 include amounts of Sampo Seguros, Sampo Sigorta, etc. following the reorganization of overseas subsidiaries.
- "The amount to be revised due to differences in accounting standards, which is excluded on consolidation" is the amount stated on page 2 (Note 2).

## (4) Sampo Himawari Life Insurance, Inc.

## Summary of Results of Major items

(Yen in hundred millions)

|                              | Fiscal year ended<br>March 31, 2019<br>(April 1, 2018 to<br>March 31, 2019) | Fiscal year ended<br>March 31, 2020<br>(April 1, 2019 to<br>March 31, 2020) | Increase<br>(Decrease) | Rate of<br>change |
|------------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------------------|-------------------|
| Insurance premiums and other | (1) 4,444                                                                   | 4,465                                                                       | 20                     | 0.5               |
| Net premiums written         | (2) 3,450                                                                   | 3,483                                                                       | 32                     | 0.9               |
| Ordinary profit              | (3) 265                                                                     | 284                                                                         | 18                     | 7.0               |
| Net income                   | (4) 153                                                                     | 165                                                                         | 11                     | 7.7               |

## (5) Sompo Japan Insurance Inc.

## Summary of Results of Major items

## (a) Direct premiums written (excluding deposits of premiums by policyholders)

(Yen in hundred millions)

| Business line                             | Fiscal year ended March 31, 2019<br>(April 1, 2018 to March 31, 2019) |                | Fiscal year ended March 31, 2020<br>(April 1, 2019 to March 31, 2020) |                        |                |
|-------------------------------------------|-----------------------------------------------------------------------|----------------|-----------------------------------------------------------------------|------------------------|----------------|
|                                           | Amount                                                                | Rate of change | Amount                                                                | Increase<br>(Decrease) | Rate of change |
| Fire and allied insurance                 | 3,995                                                                 | 8.0 %          | 4,429                                                                 | 434                    | 10.9 %         |
| Marine insurance                          | 461                                                                   | (1.8)          | 463                                                                   | 2                      | 0.6            |
| Personal accident insurance               | 1,744                                                                 | (4.7)          | 1,715                                                                 | (29)                   | (1.7)          |
| Voluntary automobile insurance            | 10,771                                                                | (0.4)          | 10,901                                                                | 130                    | 1.2            |
| Compulsory automobile liability insurance | 2,972                                                                 | (0.1)          | 2,907                                                                 | (65)                   | (2.2)          |
| Others                                    | 3,867                                                                 | 7.8            | 3,934                                                                 | 67                     | 1.8            |
| Total                                     | 23,812                                                                | 1.9            | 24,352                                                                | 540                    | 2.3            |
| Deposits of premiums by policyholders     | 1,111                                                                 | (7.7)          | 1,137                                                                 | 25                     | 2.3            |

## (b) Net premiums written

(Yen in hundred millions)

| Business line                                                                | Fiscal year ended March 31, 2019<br>(April 1, 2018 to March 31, 2019) |                | Fiscal year ended March 31, 2020<br>(April 1, 2019 to March 31, 2020) |                        |                |
|------------------------------------------------------------------------------|-----------------------------------------------------------------------|----------------|-----------------------------------------------------------------------|------------------------|----------------|
|                                                                              | Amount                                                                | Rate of change | Amount                                                                | Increase<br>(Decrease) | Rate of change |
| Fire and allied insurance                                                    | 2,650                                                                 | (5.9) %        | 2,851                                                                 | 200                    | 7.6 %          |
| Marine insurance                                                             | 443                                                                   | (6.5)          | 469                                                                   | 25                     | 5.8            |
| Personal accident insurance                                                  | 1,707                                                                 | (5.1)          | 1,669                                                                 | (37)                   | (2.2)          |
| Voluntary automobile insurance                                               | 10,731                                                                | (0.5)          | 10,847                                                                | 115                    | 1.1            |
| Compulsory automobile liability insurance                                    | 2,781                                                                 | (4.5)          | 2,805                                                                 | 23                     | 0.8            |
| Others                                                                       | 3,172                                                                 | 9.7            | 3,205                                                                 | 32                     | 1.0            |
| Total                                                                        | 21,486                                                                | (0.9)          | 21,847                                                                | 361                    | 1.7            |
| Excluding earthquake insurance and compulsory automobile liability insurance | 18,698                                                                | (0.3)          | 19,038                                                                | 339                    | 1.8            |

## (c) Net claims paid

(Yen in hundred millions)

| Business line                                                                | Fiscal year ended March 31, 2019<br>(April 1, 2018 to March 31, 2019) |                | Fiscal year ended March 31, 2020<br>(April 1, 2019 to March 31, 2020) |                        |                |                        |
|------------------------------------------------------------------------------|-----------------------------------------------------------------------|----------------|-----------------------------------------------------------------------|------------------------|----------------|------------------------|
|                                                                              | Amount                                                                | Net loss ratio | Amount                                                                | Increase<br>(Decrease) | Net loss ratio | Increase<br>(Decrease) |
| Fire and allied insurance                                                    | 2,756                                                                 | 107.2 %        | 2,334                                                                 | (421)                  | 84.5 %         | (22.6) %               |
| Marine insurance                                                             | 341                                                                   | 80.2           | 284                                                                   | (56)                   | 63.5           | (16.7)                 |
| Personal accident insurance                                                  | 904                                                                   | 56.8           | 850                                                                   | (53)                   | 54.7           | (2.2)                  |
| Voluntary automobile insurance                                               | 5,902                                                                 | 62.2           | 5,838                                                                 | (63)                   | 60.6           | (1.7)                  |
| Compulsory automobile liability insurance                                    | 2,061                                                                 | 80.6           | 1,919                                                                 | (142)                  | 74.6           | (6.1)                  |
| Others                                                                       | 1,812                                                                 | 60.3           | 1,790                                                                 | (21)                   | 59.0           | (1.2)                  |
| Total                                                                        | 13,777                                                                | 69.8           | 13,018                                                                | (759)                  | 64.9           | (4.9)                  |
| Excluding earthquake insurance and compulsory automobile liability insurance | 11,678                                                                | 68.0           | 11,099                                                                | (578)                  | 63.5           | (4.6)                  |

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

(Yen in hundred millions)

| Business line                                                                      | Fiscal year ended March 31, 2019<br>(April 1, 2018 to March 31, 2019) |                                           |                   | Six months ended September 30, 2019<br>(April 1 to September 30, 2019) |                                           |                   |
|------------------------------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------|-------------------|------------------------------------------------------------------------|-------------------------------------------|-------------------|
|                                                                                    | 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                                                          | 1,328                                                                 | 190                                       | 1,519             | 687                                                                    | 104                                       | 792               |
| Voluntary automobile insurance                                                     | 103                                                                   | (18)                                      | 84                | 71                                                                     | (39)                                      | 32                |
| Other than the above                                                               | 154                                                                   | 20                                        | 174               | 53                                                                     | 53                                        | 107               |
| Total excluding earthquake insurance and compulsory automobile liability insurance | 1,586                                                                 | 192                                       | 1,778             | 812                                                                    | 119                                       | 932               |

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.

## (e) Breakdown of Operating, General and Administrative Expenses and Loss Adjustment Expenses

(Yen in hundred millions)

| Business line                    | Fiscal year ended March 31, 2019 |                        |                   | Fiscal year ended March 31, 2020 |                        |                   |
|----------------------------------|----------------------------------|------------------------|-------------------|----------------------------------|------------------------|-------------------|
|                                  | Amount                           | Increase<br>(Decrease) | Rate of<br>change | Amount                           | Increase<br>(Decrease) | Rate of<br>change |
| Personnel expenses               | 2,328                            | (40)                   | (1.7)             | 2,275                            | (52)                   | (2.3)             |
| Non-personnel expenses           | 1,920                            | (12)                   | (0.7)             | 1,870                            | (49)                   | (2.6)             |
| Others (taxes and contributions) | 183                              | (0)                    | (0.4)             | 181                              | (1)                    | (1.1)             |
| Total                            | 4,432                            | (54)                   | (1.2)             | 4,327                            | (104)                  | (2.4)             |

## (f) Reserve for Outstanding Losses and Claims

(Yen in hundred millions)

| Business line                             | Fiscal year ended March 31, 2019 |        | Fiscal year ended March 31, 2020 |        |
|-------------------------------------------|----------------------------------|--------|----------------------------------|--------|
|                                           | Balance                          | Change | Balance                          | Change |
| Fire and allied insurance                 | 1,239                            | 42     | 1,086                            | (153)  |
| Marine insurance                          | 265                              | 27     | 225                              | (40)   |
| Personal accident insurance               | 582                              | (65)   | 539                              | (43)   |
| Voluntary automobile insurance            | 3,895                            | (90)   | 3,782                            | (113)  |
| Compulsory automobile liability insurance | 740                              | (63)   | 688                              | (51)   |
| Others                                    | 2,133                            | (67)   | 2,270                            | 136    |
| Total                                     | 8,857                            | (217)  | 8,591                            | (265)  |

## (g) Ordinary Underwriting Reserves

(Yen in hundred millions)

| Business line                             | Fiscal year ended March 31, 2019 |        | Fiscal year ended March 31, 2020 |        |
|-------------------------------------------|----------------------------------|--------|----------------------------------|--------|
|                                           | Balance                          | Change | Balance                          | Change |
| Fire and allied insurance                 | 7,176                            | (194)  | 7,602                            | 425    |
| Marine insurance                          | 147                              | (57)   | 215                              | 68     |
| Personal accident insurance               | 1,256                            | 6      | 1,274                            | 18     |
| Voluntary automobile insurance            | 3,143                            | 25     | 3,194                            | 50     |
| Compulsory automobile liability insurance | 4,388                            | 94     | 4,630                            | 242    |
| Others                                    | 3,406                            | 177    | 3,467                            | 60     |
| Total                                     | 19,518                           | 51     | 20,383                           | 865    |

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.

## (h) Catastrophic Loss Reserve

(Yen in hundred millions)

| Business line                  | Fiscal year ended March 31, 2019 |           |         |                  | Fiscal year ended March 31, 2020 |           |         |                  |
|--------------------------------|----------------------------------|-----------|---------|------------------|----------------------------------|-----------|---------|------------------|
|                                | Reversal                         | Provision | Balance | Balance<br>ratio | Reversal                         | Provision | Balance | Balance<br>ratio |
| Fire and allied insurance      | 1,383                            | 1,176     | 1,351   | 51.1             | 913                              | 630       | 1,069   | 37.5             |
| Marine insurance               | 82                               | 23        | 437     | 98.7             | 12                               | 15        | 440     | 93.9             |
| Personal accident insurance    | 65                               | 53        | 694     | 40.7             | 32                               | 52        | 715     | 42.8             |
| Voluntary automobile insurance | 558                              | 347       | 390     | 3.6              | 390                              | 357       | 357     | 3.3              |
| Others                         | 214                              | 155       | 2,041   | 64.4             | 146                              | 101       | 1,996   | 62.3             |
| Total                          | 2,304                            | 1,757     | 4,915   | 26.3             | 1,494                            | 1,157     | 4,578   | 24.1             |

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, 2021 (April 1, 2020 to March 31, 2021)

Sampo Holdings, Inc. (Consolidated)

(Yen in hundred millions)

|                                                             | Fiscal year ended<br>March 31, 2020<br>Result | Fiscal year ending<br>March 31, 2021<br>Forecast | Increase<br>(Decrease) | Rate of change |
|-------------------------------------------------------------|-----------------------------------------------|--------------------------------------------------|------------------------|----------------|
| Net premiums written                                        | 28,254                                        | 28,600                                           | 345                    | 1.2%           |
| Life insurance premiums written                             | 3,560                                         | 3,585                                            | 24                     | 0.7            |
| Ordinary profit                                             | 1,924                                         | 2,230                                            | 305                    | 15.9           |
| Net income attributable to shareholders of the parent:      | 1,225                                         | 1,500                                            | 274                    | 22.4           |
| Sampo Japan Insurance Inc.                                  | 1,305                                         | 1,560                                            | 254                    | 19.5           |
| Overseas consolidated subsidiaries                          | 753                                           | 489                                              | (263)                  | (35.0)         |
| Sampo Himawari Life Insurance, Inc.                         | 165                                           | 170                                              | 4                      | 2.5            |
| Nursing care and healthcare consolidated subsidiaries       | 61                                            | 64                                               | 2                      | 3.5            |
| Others and consolidation adjustment, etc. <sup>(Note)</sup> | (1,061)                                       | (783)                                            | 278                    | —              |
| Dividends per share (annual)                                | 150 yen                                       | 160 yen                                          | 10 yen                 | —              |

Note) "Others and consolidation adjustment, etc." in the above table includes profits and losses of consolidated companies other than the above and adjustments due to consolidation adjustments, etc.

Sampo Japan Insurance Inc. (Non-consolidated)

(Yen in hundred millions)

|                                                                                | Fiscal year ended<br>March 31, 2020<br>Result | Fiscal year ending<br>March 31, 2021<br>Forecast | Increase<br>(Decrease) | Rate of change |
|--------------------------------------------------------------------------------|-----------------------------------------------|--------------------------------------------------|------------------------|----------------|
| Net premiums written                                                           | 21,847                                        | 21,735                                           | (112)                  | (0.5)%         |
| (Excluding earthquake insurance and compulsory automobile liability insurance) | 19,038                                        | 19,431                                           | 393                    | 2.1            |
| Net loss ratio                                                                 | 64.9                                          | 64.1                                             | (0.8)                  | —              |
| (Excluding earthquake insurance and compulsory automobile liability insurance) | 63.5                                          | 61.0                                             | (2.4)                  | —              |
| Net operating expenses ratio                                                   | 32.4                                          | 32.8                                             | 0.4                    | —              |
| (Excluding earthquake insurance and compulsory automobile liability insurance) | 33.8                                          | 33.5                                             | (0.3)                  | —              |
| Combined ratio                                                                 | 97.3                                          | 96.9                                             | (0.4)                  | —              |
| (Excluding earthquake insurance and compulsory automobile liability insurance) | 97.3                                          | 94.6                                             | (2.8)                  | —              |
| Underwriting profit                                                            | 431                                           | 830                                              | 398                    | 92.5           |
| Gross investment margin                                                        | 1,509                                         | 1,400                                            | (108)                  | (7.2)          |
| Ordinary profit                                                                | 1,823                                         | 2,100                                            | 276                    | 15.1           |
| Net income                                                                     | 1,305                                         | 1,560                                            | 254                    | 19.5           |

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

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

##### Balance Sheet

|                                                | (Millions of yen)    |                      |                        |
|------------------------------------------------|----------------------|----------------------|------------------------|
|                                                | As of March 31, 2019 | As of March 31, 2020 | Increase<br>(Decrease) |
|                                                | Amount               | Amount               |                        |
| <b>Assets:</b>                                 |                      |                      |                        |
| Cash and deposits:                             | 459,769              | 458,885              | (883)                  |
| Cash                                           | 6                    | 37                   | 30                     |
| Deposits                                       | 459,762              | 458,848              | (913)                  |
| Receivables under resale agreements            | 64,999               | 69,999               | 5,000                  |
| Monetary receivables bought                    | 11,703               | 19,897               | 8,193                  |
| Money trusts                                   | 40,862               | 32,871               | (7,990)                |
| Securities:                                    | 5,056,187            | 4,724,237            | (331,950)              |
| Government bonds                               | 779,818              | 724,361              | (55,457)               |
| Municipal bonds                                | 6,366                | 6,259                | (106)                  |
| Corporate bonds                                | 603,468              | 643,188              | 39,720                 |
| Domestic stocks                                | 1,345,501            | 1,069,761            | (275,740)              |
| Foreign securities                             | 2,255,634            | 2,188,153            | (67,480)               |
| Other securities                               | 65,398               | 92,513               | 27,114                 |
| Loans:                                         | 685,377              | 673,292              | (12,085)               |
| Policy loans                                   | 6,788                | 6,000                | (787)                  |
| Ordinary loans                                 | 678,589              | 667,291              | (11,297)               |
| Tangible fixed assets:                         | 249,654              | 246,883              | (2,771)                |
| Land                                           | 101,753              | 97,778               | (3,974)                |
| Buildings                                      | 104,267              | 111,174              | 6,907                  |
| Leased assets                                  | 3,377                | 3,330                | (47)                   |
| Construction in progress                       | 12,700               | 7,325                | (5,375)                |
| Other tangible fixed assets                    | 27,555               | 27,274               | (281)                  |
| Intangible fixed assets:                       | 114,753              | 156,542              | 41,788                 |
| Software                                       | 3,583                | 2,489                | (1,094)                |
| Other intangible fixed assets                  | 111,169              | 154,053              | 42,883                 |
| Other assets:                                  | 842,663              | 744,246              | (98,417)               |
| Premiums receivable                            | 2,921                | 863                  | (2,058)                |
| Agency accounts receivable                     | 179,302              | 180,295              | 992                    |
| Foreign agency accounts receivable             | 33,174               | 31,025               | (2,149)                |
| Coinsurance accounts receivable                | 21,708               | 36,455               | 14,746                 |
| Reinsurance accounts receivable                | 173,825              | 162,122              | (11,702)               |
| Foreign reinsurance accounts receivable        | 187,352              | 177,938              | (9,413)                |
| Proxy service receivable                       | 528                  | 265                  | (262)                  |
| Accounts receivable                            | 121,641              | 31,770               | (89,871)               |
| Accrued income                                 | 9,462                | 8,895                | (566)                  |
| Advance deposits                               | 22,625               | 16,356               | (6,268)                |
| Earthquake insurance deposits                  | 4,358                | 4,570                | 211                    |
| Suspense payments                              | 65,487               | 66,703               | 1,215                  |
| Deposits paid for future transactions          | 9,248                | 8,585                | (662)                  |
| Derivative assets                              | 10,881               | 16,521               | 5,639                  |
| Cash collateral paid for financial instruments | 144                  | 1,868                | 1,724                  |
| Other assets                                   | 0                    | 7                    | 7                      |
| Prepaid pension cost                           | 477                  | 409                  | (67)                   |
| Deferred tax assets                            | —                    | 48,676               | 48,676                 |
| Allowance for possible credit losses           | (3,471)              | (3,193)              | 277                    |
| Allowance for possible investment losses       | (7,089)              | (6,691)              | 398                    |
| <b>Total assets</b>                            | <b>7,515,887</b>     | <b>7,166,057</b>     | <b>(349,829)</b>       |

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

## Balance Sheet

|                                                              | As of March 31, 2019 | As of March 31, 2020 | (Millions of yen)<br>Increase<br>(Decrease) |
|--------------------------------------------------------------|----------------------|----------------------|---------------------------------------------|
|                                                              | Amount               | Amount               |                                             |
| <b>Liabilities:</b>                                          |                      |                      |                                             |
| Underwriting funds:                                          | 4,626,617            | 4,577,735            | (48,881)                                    |
| Reserve for outstanding losses and claims                    | 885,703              | 859,134              | (26,569)                                    |
| Underwriting reserves                                        | 3,740,913            | 3,718,600            | (22,312)                                    |
| Corporate bonds                                              | 433,560              | 433,560              | —                                           |
| Other liabilities:                                           | 760,883              | 656,107              | (104,776)                                   |
| Coinsurance accounts payable                                 | 5,179                | 5,849                | 669                                         |
| Reinsurance accounts payable                                 | 91,235               | 88,555               | (2,680)                                     |
| Foreign reinsurance accounts payable                         | 40,761               | 40,425               | (336)                                       |
| Payables under securities lending transactions               | 202,289              | 112,905              | (89,383)                                    |
| Borrowings                                                   | 106,771              | 76,266               | (30,504)                                    |
| Income taxes payable                                         | 27,888               | 30,386               | 2,498                                       |
| Deposits received                                            | 3,106                | 3,088                | (18)                                        |
| Unearned income                                              | 312                  | 319                  | 7                                           |
| Accounts payable                                             | 155,882              | 162,355              | 6,472                                       |
| Suspense receipts                                            | 88,162               | 90,756               | 2,594                                       |
| Derivative liabilities                                       | 4,340                | 2,900                | (1,439)                                     |
| Cash collateral received for financial instruments           | 28,608               | 36,240               | 7,632                                       |
| Lease obligations                                            | 4,321                | 3,985                | (336)                                       |
| Asset retirement obligations                                 | 2,024                | 2,072                | 47                                          |
| Reserve for retirement benefits                              | 93,600               | 91,659               | (1,940)                                     |
| Reserve for bonus payments                                   | 18,325               | 17,811               | (513)                                       |
| Reserve for bonus payments to directors                      | 64                   | 107                  | 43                                          |
| Reserves under the special laws:                             | 83,183               | 87,116               | 3,933                                       |
| Reserve for price fluctuation                                | 83,183               | 87,116               | 3,933                                       |
| Deferred tax liabilities                                     | 30,352               | —                    | (30,352)                                    |
| <b>Total liabilities</b>                                     | <b>6,046,586</b>     | <b>5,864,098</b>     | <b>(182,488)</b>                            |
| <b>Net assets:</b>                                           |                      |                      |                                             |
| Shareholders' equity:                                        |                      |                      |                                             |
| Common stock                                                 | 70,000               | 70,000               | —                                           |
| Capital surplus:                                             | 70,000               | 70,000               | —                                           |
| Capital reserves                                             | 70,000               | 70,000               | —                                           |
| Retained earnings:                                           | 527,900              | 565,280              | 37,379                                      |
| Other retained earnings:                                     | 527,900              | 565,280              | 37,379                                      |
| Reserve for advanced depreciation                            | 8,421                | 8,034                | (386)                                       |
| General reserve                                              | 83,300               | 83,300               | —                                           |
| Retained earnings carried forward                            | 436,179              | 473,945              | 37,766                                      |
| Total shareholders' equity                                   | 667,900              | 705,280              | 37,379                                      |
| Valuation and translation adjustments:                       |                      |                      |                                             |
| Unrealized gains and losses on securities available for sale | 794,949              | 591,085              | (203,863)                                   |
| Deferred gains and losses on hedges                          | 6,449                | 5,593                | (856)                                       |
| Total valuation and translation adjustments                  | 801,399              | 596,679              | (204,720)                                   |
| <b>Total net assets</b>                                      | <b>1,469,300</b>     | <b>1,301,959</b>     | <b>(167,340)</b>                            |
| <b>Total liabilities and net assets</b>                      | <b>7,515,887</b>     | <b>7,166,057</b>     | <b>(349,829)</b>                            |



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

## Statement of Income

(Millions of yen)

|                                                                        | Fiscal year ended<br>March 31, 2019<br>(April 1, 2018 to<br>March 31, 2019) | Fiscal year ended<br>March 31, 2020<br>(April 1, 2019 to<br>March 31, 2020) | Increase<br>(Decrease) | Rate of<br>change |
|------------------------------------------------------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------------------|-------------------|
|                                                                        | Amount                                                                      | Amount                                                                      |                        |                   |
| Ordinary income:                                                       | 2,678,209                                                                   | 2,579,158                                                                   | (99,050)               | (3.7)             |
| Underwriting income:                                                   | 2,440,115                                                                   | 2,383,396                                                                   | (56,718)               | (2.3)             |
| Net premiums written                                                   | 2,148,632                                                                   | 2,184,750                                                                   | 36,117                 | 1.7               |
| Deposits of premiums by policyholders                                  | 111,128                                                                     | 113,702                                                                     | 2,574                  | 2.3               |
| Interest and dividend income on deposits of premiums, etc.             | 38,153                                                                      | 35,092                                                                      | (3,060)                | (8.0)             |
| Reversal of reserve for outstanding losses and claims                  | 21,725                                                                      | 26,569                                                                      | 4,843                  | 22.3              |
| Reversal of underwriting reserves                                      | 118,590                                                                     | 22,312                                                                      | (96,278)               | (81.2)            |
| Foreign exchange gains                                                 | 939                                                                         | —                                                                           | (939)                  | (100.0)           |
| Other underwriting income                                              | 945                                                                         | 969                                                                         | 24                     | 2.6               |
| Investment income:                                                     | 225,397                                                                     | 183,996                                                                     | (41,401)               | (18.4)            |
| Interest and dividend income                                           | 134,644                                                                     | 137,164                                                                     | 2,519                  | 1.9               |
| Investment gains on money trusts                                       | 5,445                                                                       | 202                                                                         | (5,243)                | (96.3)            |
| Gains on sales of securities                                           | 116,389                                                                     | 80,473                                                                      | (35,915)               | (30.9)            |
| Gains on redemption of securities                                      | 1,709                                                                       | 1,032                                                                       | (677)                  | (39.6)            |
| Foreign exchange gains                                                 | 3,276                                                                       | —                                                                           | (3,276)                | (100.0)           |
| Other investment income                                                | 2,085                                                                       | 216                                                                         | (1,869)                | (89.6)            |
| Transfer of interest and dividend income on deposits of premiums, etc. | (38,153)                                                                    | (35,092)                                                                    | 3,060                  | —                 |
| Other ordinary income                                                  | 12,696                                                                      | 11,765                                                                      | (930)                  | (7.3)             |
| Ordinary expenses:                                                     | 2,462,672                                                                   | 2,396,771                                                                   | (65,900)               | (2.7)             |
| Underwriting expenses:                                                 | 2,096,117                                                                   | 2,036,819                                                                   | (59,298)               | (2.8)             |
| Net claims paid                                                        | 1,377,796                                                                   | 1,301,872                                                                   | (75,923)               | (5.5)             |
| Loss adjustment expenses                                               | 121,930                                                                     | 115,385                                                                     | (6,544)                | (5.4)             |
| Net commissions and brokerage fees                                     | 388,839                                                                     | 404,695                                                                     | 15,855                 | 4.1               |
| Maturity refunds to policyholders                                      | 205,330                                                                     | 212,128                                                                     | 6,797                  | 3.3               |
| Dividends to policyholders                                             | 128                                                                         | 101                                                                         | (26)                   | (20.5)            |
| Foreign exchange losses                                                | —                                                                           | 591                                                                         | 591                    | —                 |
| Other underwriting expenses                                            | 2,092                                                                       | 2,044                                                                       | (47)                   | (2.3)             |
| Investment expenses:                                                   | 35,567                                                                      | 33,068                                                                      | (2,499)                | (7.0)             |
| Investment losses on money trusts                                      | 1,006                                                                       | 2,507                                                                       | 1,501                  | 149.2             |
| Losses on sales of securities                                          | 16,329                                                                      | 1,353                                                                       | (14,975)               | (91.7)            |
| Impairment losses on securities                                        | 4,807                                                                       | 11,734                                                                      | 6,927                  | 144.1             |
| Losses on redemption of securities                                     | 342                                                                         | 455                                                                         | 112                    | 32.9              |
| Losses on derivatives                                                  | 6,438                                                                       | 9,203                                                                       | 2,765                  | 43.0              |
| Foreign exchange losses                                                | —                                                                           | 1,856                                                                       | 1,856                  | —                 |
| Other investment expenses                                              | 6,644                                                                       | 5,957                                                                       | (686)                  | (10.3)            |
| Operating, general and administrative expenses                         | 321,281                                                                     | 317,396                                                                     | (3,884)                | (1.2)             |
| Other ordinary expenses:                                               | 9,706                                                                       | 9,486                                                                       | (219)                  | (2.3)             |
| Interest paid                                                          | 7,152                                                                       | 7,124                                                                       | (27)                   | (0.4)             |
| Provision for allowance for possible credit losses                     | 11                                                                          | —                                                                           | (11)                   | (100.0)           |
| Losses on bad debt                                                     | 28                                                                          | 14                                                                          | (14)                   | (49.2)            |
| Other ordinary expenses                                                | 2,513                                                                       | 2,347                                                                       | (165)                  | (6.6)             |
| Ordinary profit                                                        | 215,537                                                                     | 182,387                                                                     | (33,150)               | (15.4)            |

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

## Statement of Income

(Millions of yen)

|                                                                        | Fiscal year ended<br>March 31, 2019<br>(April 1, 2018 to<br>March 31, 2019) | Fiscal year ended<br>March 31, 2020<br>(April 1, 2019 to<br>March 31, 2020) | Increase<br>(Decrease) | Rate of<br>change |
|------------------------------------------------------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------------------|-------------------|
|                                                                        | Amount                                                                      | Amount                                                                      |                        |                   |
| Extraordinary gains:                                                   | 18,937                                                                      | 1,824                                                                       | (17,113)               | (90.4)            |
| Gains on disposal of fixed assets                                      | 18,937                                                                      | 1,824                                                                       | (17,113)               | (90.4)            |
| Extraordinary losses:                                                  | 7,256                                                                       | 13,793                                                                      | 6,537                  | 90.1              |
| Losses on disposal of fixed assets                                     | 2,562                                                                       | 4,178                                                                       | 1,615                  | 63.0              |
| Impairment losses                                                      | 703                                                                         | 2,124                                                                       | 1,421                  | 202.1             |
| Provision for reserves under the special laws:                         | 3,990                                                                       | 3,933                                                                       | (56)                   | (1.4)             |
| Provision for reserve for price fluctuation                            | 3,990                                                                       | 3,933                                                                       | (56)                   | (1.4)             |
| Other extraordinary losses                                             | —                                                                           | 3,557                                                                       | 3,557                  | —                 |
| Net income before income taxes                                         | 227,218                                                                     | 170,417                                                                     | (56,800)               | (25.0)            |
| Income taxes                                                           | 29,480                                                                      | 42,799                                                                      | 13,318                 | 45.2              |
| Deferred income taxes                                                  | 22,029                                                                      | (2,960)                                                                     | (24,990)               | (113.4)           |
| Total income taxes                                                     | 51,510                                                                      | 39,838                                                                      | (11,671)               | (22.7)            |
| Net income                                                             | 175,708                                                                     | 130,579                                                                     | (45,128)               | (25.7)            |
| Underwriting result:                                                   |                                                                             |                                                                             |                        |                   |
| Net premiums written (+)                                               | 2,148,632                                                                   | 2,184,750                                                                   | 36,117                 | 1.7               |
| Net claims paid (—)                                                    | 1,377,796                                                                   | 1,301,872                                                                   | (75,923)               | (5.5)             |
| Loss adjustment expenses (—)                                           | 121,930                                                                     | 115,385                                                                     | (6,544)                | (5.4)             |
| Net operating expenses: (—)                                            | 689,835                                                                     | 707,575                                                                     | 17,740                 | 2.6               |
| Net commissions and brokerage fees                                     | 388,839                                                                     | 404,695                                                                     | 15,855                 | 4.1               |
| Operating, general and administrative expenses related to underwriting | 300,995                                                                     | 302,879                                                                     | 1,884                  | 0.6               |
| Underwriting result                                                    | (40,928)                                                                    | 59,916                                                                      | 100,844                | —                 |
| Underwriting profit                                                    | 41,990                                                                      | 43,113                                                                      | 1,122                  | 2.7               |
| Ratios:                                                                |                                                                             |                                                                             |                        |                   |
| Net loss ratio (%)                                                     | 69.8                                                                        | 64.9                                                                        | (4.9)                  |                   |
| Net operating expenses ratio (%)                                       | 32.1                                                                        | 32.4                                                                        | 0.3                    |                   |
| Combined ratio (%)                                                     | 101.9                                                                       | 97.3                                                                        | (4.6)                  |                   |

## Sompo 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, 2019<br>(April 1, 2018 to March 31, 2019) |                   |                | Fiscal year ended March 31, 2020<br>(April 1, 2019 to March 31, 2020) |                   |                |
|-------------------------------------------|-----------------------------------------------------------------------|-------------------|----------------|-----------------------------------------------------------------------|-------------------|----------------|
|                                           | Amount                                                                | % of total amount | Rate of change | Amount                                                                | % of total amount | Rate of change |
| Fire and allied insurance                 | 399,559                                                               | 16.8              | 8.0            | 442,992                                                               | 18.2              | 10.9           |
| Marine insurance                          | 46,123                                                                | 1.9               | (1.8)          | 46,395                                                                | 1.9               | 0.6            |
| Personal accident insurance               | 174,421                                                               | 7.3               | (4.7)          | 171,519                                                               | 7.0               | (1.7)          |
| Voluntary automobile insurance            | 1,077,178                                                             | 45.2              | (0.4)          | 1,090,197                                                             | 44.8              | 1.2            |
| Compulsory automobile liability insurance | 297,246                                                               | 12.5              | (0.1)          | 290,712                                                               | 11.9              | (2.2)          |
| Others                                    | 386,703                                                               | 16.2              | 7.8            | 393,480                                                               | 16.2              | 1.8            |
| Total                                     | 2,381,234                                                             | 100.0             | 1.9            | 2,435,297                                                             | 100.0             | 2.3            |
| Deposits of premiums by policyholders     | 111,128                                                               | —                 | (7.7)          | 113,702                                                               | —                 | 2.3            |

## Net premiums written

(Millions of yen)

| Business line                             | Fiscal year ended March 31, 2019<br>(April 1, 2018 to March 31, 2019) |                   |                | Fiscal year ended March 31, 2020<br>(April 1, 2019 to March 31, 2020) |                   |                |
|-------------------------------------------|-----------------------------------------------------------------------|-------------------|----------------|-----------------------------------------------------------------------|-------------------|----------------|
|                                           | Amount                                                                | % of total amount | Rate of change | Amount                                                                | % of total amount | Rate of change |
| Fire and allied insurance                 | 265,070                                                               | 12.3              | (5.9)          | 285,143                                                               | 13.1              | 7.6            |
| Marine insurance                          | 44,315                                                                | 2.1               | (6.5)          | 46,901                                                                | 2.1               | 5.8            |
| Personal accident insurance               | 170,725                                                               | 7.9               | (5.1)          | 166,974                                                               | 7.6               | (2.2)          |
| Voluntary automobile insurance            | 1,073,139                                                             | 49.9              | (0.5)          | 1,084,709                                                             | 49.6              | 1.1            |
| Compulsory automobile liability insurance | 278,172                                                               | 12.9              | (4.5)          | 280,515                                                               | 12.8              | 0.8            |
| Others                                    | 317,208                                                               | 14.8              | 9.7            | 320,505                                                               | 14.7              | 1.0            |
| Total                                     | 2,148,632                                                             | 100.0             | (0.9)          | 2,184,750                                                             | 100.0             | 1.7            |

## Net claims paid

(Millions of yen)

| Business line                             | Fiscal year ended March 31, 2019<br>(April 1, 2018 to March 31, 2019) |                |                | Fiscal year ended March 31, 2020<br>(April 1, 2019 to March 31, 2020) |                |                |
|-------------------------------------------|-----------------------------------------------------------------------|----------------|----------------|-----------------------------------------------------------------------|----------------|----------------|
|                                           | Amount                                                                | Rate of change | Net loss ratio | Amount                                                                | Rate of change | Net loss ratio |
| Fire and allied insurance                 | 275,632                                                               | 36.7           | 107.2          | 233,497                                                               | (15.3)         | 84.5           |
| Marine insurance                          | 34,115                                                                | 17.2           | 80.2           | 28,433                                                                | (16.7)         | 63.5           |
| Personal accident insurance               | 90,435                                                                | (4.7)          | 56.8           | 85,073                                                                | (5.9)          | 54.7           |
| Voluntary automobile insurance            | 590,248                                                               | 1.5            | 62.2           | 583,866                                                               | (1.1)          | 60.6           |
| Compulsory automobile liability insurance | 206,151                                                               | (4.0)          | 80.6           | 191,911                                                               | (6.9)          | 74.6           |
| Others                                    | 181,211                                                               | 20.8           | 60.3           | 179,090                                                               | (1.2)          | 59.0           |
| Total                                     | 1,377,796                                                             | 8.3            | 69.8           | 1,301,872                                                             | (5.5)          | 64.9           |

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

## Non-consolidated Solvency Margin Ratio

|                                                                                                                         | (Millions of yen)    |                      |
|-------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
|                                                                                                                         | As of March 31, 2019 | As of March 31, 2020 |
| (A) Total Non-consolidated Solvency Margin                                                                              | 2,925,752            | 2,722,944            |
| Capital and funds, etc.                                                                                                 | 667,900              | 705,020              |
| Reserve for price fluctuation                                                                                           | 83,183               | 87,116               |
| Contingency reserve                                                                                                     | 917                  | 1,348                |
| Catastrophic loss reserve                                                                                               | 497,090              | 463,552              |
| General allowance for possible credit losses                                                                            | 296                  | 181                  |
| Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)           | 979,958              | 731,484              |
| Unrealized gains and losses on land                                                                                     | 102,267              | 120,616              |
| Excess amount of reserve for maturity refunds                                                                           | —                    | —                    |
| Subordinated debt, etc.                                                                                                 | 433,560              | 433,560              |
| Excess amount of reserve for maturity refunds and subordinated debt, etc. which are excluded from total solvency margin | —                    | —                    |
| Deductions                                                                                                              | 53,329               | 47,562               |
| Others                                                                                                                  | 213,906              | 227,627              |
| (B) Total Non-consolidated Risks                                                                                        | 810,142              | 759,131              |
| $\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$                                                                      |                      |                      |
| Underwriting risk ( $R_1$ )                                                                                             | 185,722              | 189,818              |
| Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance ( $R_2$ ) | —                    | —                    |
| Guaranteed interest rate risk ( $R_3$ )                                                                                 | 18,070               | 16,855               |
| Investment risk ( $R_4$ )                                                                                               | 584,923              | 543,032              |
| Business management risk ( $R_5$ )                                                                                      | 18,978               | 17,993               |
| Major catastrophe risk ( $R_6$ )                                                                                        | 160,215              | 149,948              |
| (C) Non-consolidated Solvency Margin Ratio<br>[ (A) / {(B) × 1/2} ] × 100                                               | 722.2 %              | 717.3 %              |

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).

## SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED (Non-consolidated)

## Balance Sheet

(Millions of yen)

|                                         | As of March 31, 2019 | As of March 31, 2020 | Increase<br>(Decrease) |
|-----------------------------------------|----------------------|----------------------|------------------------|
|                                         | Amount               | Amount               |                        |
| <b>Assets:</b>                          |                      |                      |                        |
| Cash and deposits:                      | 46,208               | 34,722               | (11,485)               |
| Cash                                    | 0                    | 0                    | (0)                    |
| Deposits                                | 46,208               | 34,722               | (11,485)               |
| Securities:                             | 18,070               | 25,017               | 6,946                  |
| Government bonds                        | 2,535                | 1,316                | (1,219)                |
| Municipal bonds                         | 10,991               | 10,734               | (257)                  |
| Corporate bonds                         | 601                  | 5,009                | 4,407                  |
| Domestic stocks                         | 29                   | 33                   | 4                      |
| Foreign securities                      | 1,044                | 3,439                | 2,395                  |
| Other securities                        | 2,869                | 4,485                | 1,616                  |
| Loans:                                  | 0                    | —                    | (0)                    |
| Policy loans                            | 0                    | —                    | (0)                    |
| Tangible fixed assets:                  | 602                  | 623                  | 20                     |
| Buildings                               | 105                  | 128                  | 23                     |
| Leased assets                           | 326                  | 348                  | 22                     |
| Other tangible fixed assets             | 170                  | 145                  | (25)                   |
| Intangible fixed assets:                | 3,436                | 3,478                | 41                     |
| Software                                | 3,432                | 3,474                | 41                     |
| Other intangible fixed assets           | 3                    | 3                    | (0)                    |
| Other assets:                           | 6,874                | 6,260                | (613)                  |
| Premiums receivable                     | 1,956                | 2,210                | 254                    |
| Agency accounts receivable              | 76                   | 110                  | 33                     |
| Coinsurance accounts receivable         | 10                   | 14                   | 4                      |
| Reinsurance accounts receivable         | 496                  | 77                   | (418)                  |
| Foreign reinsurance accounts receivable | 39                   | 37                   | (1)                    |
| Proxy service receivable                | 2                    | —                    | (2)                    |
| Accounts receivable                     | 1,072                | 768                  | (304)                  |
| Accrued income                          | 17                   | 17                   | (0)                    |
| Advance deposits                        | 599                  | 558                  | (40)                   |
| Suspense payments                       | 2,420                | 2,465                | 45                     |
| Other assets                            | 182                  | —                    | (182)                  |
| Allowance for possible credit losses    | (45)                 | (83)                 | (37)                   |
| <b>Total assets</b>                     | <b>75,147</b>        | <b>70,018</b>        | <b>(5,128)</b>         |

## SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED (Non-consolidated)

## Balance Sheet

|                                                              | (Millions of yen)    |                      |                        |
|--------------------------------------------------------------|----------------------|----------------------|------------------------|
|                                                              | As of March 31, 2019 | As of March 31, 2020 | Increase<br>(Decrease) |
|                                                              | Amount               | Amount               |                        |
| <b>Liabilities:</b>                                          |                      |                      |                        |
| Underwriting funds:                                          |                      |                      |                        |
| Reserve for outstanding losses and claims                    | 53,015               | 52,152               | (863)                  |
| Underwriting reserves                                        | 18,938               | 19,610               | 671                    |
| Underwriting reserves                                        | 34,076               | 32,541               | (1,534)                |
| Other liabilities:                                           | 4,852                | 3,445                | (1,406)                |
| Coinsurance accounts payable                                 | 36                   | 36                   | 0                      |
| Reinsurance accounts payable                                 | 215                  | 193                  | (22)                   |
| Foreign reinsurance accounts payable                         | 115                  | 98                   | (17)                   |
| Income taxes payable                                         | 149                  | 155                  | 6                      |
| Deposits received                                            | 42                   | 29                   | (12)                   |
| Accounts payable                                             | 2,590                | 1,761                | (828)                  |
| Suspense receipts                                            | 1,372                | 816                  | (556)                  |
| Lease obligations                                            | 330                  | 354                  | 23                     |
| Reserve for retirement benefits                              | 544                  | —                    | (544)                  |
| Reserve for retirement benefits to directors                 | 24                   | 24                   | —                      |
| Reserve for bonus payments                                   | 403                  | 434                  | 31                     |
| Reserve for bonus payments to directors                      | 29                   | 28                   | (0)                    |
| Reserves under the special laws:                             | 49                   | 57                   | 8                      |
| Reserve for price fluctuation                                | 49                   | 57                   | 8                      |
| Deferred tax liabilities                                     | 179                  | 61                   | (118)                  |
| <b>Total liabilities</b>                                     | <b>59,098</b>        | <b>56,204</b>        | <b>(2,893)</b>         |
| <b>Net assets:</b>                                           |                      |                      |                        |
| Shareholders' equity:                                        |                      |                      |                        |
| Common stock                                                 | 51,260               | 32,260               | (19,000)               |
| Capital surplus:                                             | 49,497               | 40,692               | (8,805)                |
| Capital reserves                                             | 49,497               | 30,497               | (19,000)               |
| Other capital surplus                                        | 0                    | 10,194               | 10,194                 |
| Retained earnings:                                           | (85,263)             | (59,387)             | 25,875                 |
| Other retained earnings:                                     | (85,263)             | (59,387)             | 25,875                 |
| Retained earnings carried forward                            | (85,263)             | (59,387)             | 25,875                 |
| Total shareholders' equity                                   | 15,494               | 13,565               | (1,929)                |
| Valuation and translation adjustments:                       |                      |                      |                        |
| Unrealized gains and losses on securities available for sale | 554                  | 249                  | (305)                  |
| Total valuation and translation adjustments                  | 554                  | 249                  | (305)                  |
| <b>Total net assets</b>                                      | <b>16,049</b>        | <b>13,814</b>        | <b>(2,234)</b>         |
| <b>Total liabilities and net assets</b>                      | <b>75,147</b>        | <b>70,018</b>        | <b>(5,128)</b>         |

Note) Amount as of March 31, 2019 represents the combined results of SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED and Sonpo 24 Insurance Company Limited.

## SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED (Non-consolidated)

## Statement of Income

(Millions of yen)

|                                                                        | Fiscal year ended<br>March 31, 2019<br>(April 1, 2018 to<br>March 31, 2019) | Fiscal year ended<br>March 31, 2020<br>(April 1, 2019 to<br>March 31, 2020) | Increase<br>(Decrease) | Rate of<br>change |
|------------------------------------------------------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------------------|-------------------|
|                                                                        | Amount                                                                      | Amount                                                                      |                        |                   |
| Ordinary income:                                                       | 51,957                                                                      | 52,743                                                                      | 786                    | 1.5               |
| Underwriting income:                                                   | 51,876                                                                      | 52,657                                                                      | 780                    | 1.5               |
| Net premiums written                                                   | 50,069                                                                      | 51,073                                                                      | 1,003                  | 2.0               |
| Deposits of premiums by policyholders                                  | 3                                                                           | 0                                                                           | (2)                    | (75.4)            |
| Interest and dividend income on deposits of premiums, etc.             | 50                                                                          | 47                                                                          | (2)                    | (5.8)             |
| Reversal of underwriting reserves                                      | 1,752                                                                       | 1,534                                                                       | (217)                  | (12.4)            |
| Foreign exchange gains                                                 | —                                                                           | 0                                                                           | 0                      | —                 |
| Investment income:                                                     | 30                                                                          | 37                                                                          | 6                      | 22.7              |
| Interest and dividend income                                           | 75                                                                          | 83                                                                          | 7                      | 10.6              |
| Other investment income                                                | 5                                                                           | 1                                                                           | (4)                    | (67.5)            |
| Transfer of interest and dividend income on deposits of premiums, etc. | (50)                                                                        | (47)                                                                        | 2                      | —                 |
| Other ordinary income                                                  | 50                                                                          | 48                                                                          | (1)                    | (2.4)             |
| Ordinary expenses:                                                     | 55,394                                                                      | 54,147                                                                      | (1,247)                | (2.3)             |
| Underwriting expenses:                                                 | 39,677                                                                      | 39,471                                                                      | (205)                  | (0.5)             |
| Net claims paid                                                        | 33,106                                                                      | 33,637                                                                      | 530                    | 1.6               |
| Loss adjustment expenses                                               | 4,473                                                                       | 4,047                                                                       | (425)                  | (9.5)             |
| Net commissions and brokerage fees                                     | 1,138                                                                       | 1,073                                                                       | (64)                   | (5.7)             |
| Maturity refunds to policyholders                                      | 92                                                                          | 28                                                                          | (63)                   | (69.0)            |
| Provision for reserve for outstanding losses and claims                | 849                                                                         | 671                                                                         | (178)                  | (21.0)            |
| Foreign exchange losses                                                | 0                                                                           | —                                                                           | (0)                    | (100.0)           |
| Other underwriting expenses                                            | 17                                                                          | 13                                                                          | (3)                    | (20.4)            |
| Investment expenses:                                                   | 3                                                                           | 3                                                                           | 0                      | 4.5               |
| Other investment expenses                                              | 3                                                                           | 3                                                                           | 0                      | 4.5               |
| Operating, general and administrative expenses                         | 15,670                                                                      | 14,593                                                                      | (1,076)                | (6.9)             |
| Other ordinary expenses:                                               | 43                                                                          | 77                                                                          | 34                     | 80.3              |
| Interest paid                                                          | 6                                                                           | 7                                                                           | 1                      | 29.8              |
| Provision for allowance for possible credit losses                     | 14                                                                          | 37                                                                          | 23                     | 167.4             |
| Other ordinary expenses                                                | 22                                                                          | 31                                                                          | 9                      | 39.5              |
| Ordinary loss                                                          | (3,437)                                                                     | (1,403)                                                                     | 2,033                  | —                 |
| Extraordinary gains:                                                   | 15                                                                          | —                                                                           | (15)                   | (100.0)           |
| Reversal of reserves under the special laws:                           | 15                                                                          | —                                                                           | (15)                   | (100.0)           |
| Reversal of reserve for price fluctuation                              | 15                                                                          | —                                                                           | (15)                   | (100.0)           |
| Extraordinary losses:                                                  | 729                                                                         | 509                                                                         | (219)                  | (30.1)            |
| Losses on disposal of fixed assets                                     | 1                                                                           | 20                                                                          | 18                     | 1,118.2           |
| Impairment losses                                                      | —                                                                           | 0                                                                           | 0                      | —                 |
| Provision for reserves under the special laws:                         | —                                                                           | 8                                                                           | 8                      | —                 |
| Provision for reserve for price fluctuation                            | —                                                                           | 8                                                                           | 8                      | —                 |
| Business structure reform expenses                                     | 727                                                                         | 361                                                                         | (365)                  | (50.3)            |
| Other extraordinary losses                                             | —                                                                           | 118                                                                         | 118                    | —                 |
| Net loss before income taxes                                           | (4,151)                                                                     | (1,912)                                                                     | 2,238                  | —                 |
| Income taxes                                                           | 89                                                                          | 16                                                                          | (72)                   | (81.2)            |
| Deferred income taxes                                                  | 219                                                                         | —                                                                           | (219)                  | (100.0)           |
| Total income taxes                                                     | 309                                                                         | 16                                                                          | (292)                  | (94.6)            |
| Net loss                                                               | (4,460)                                                                     | (1,929)                                                                     | 2,531                  | —                 |
| Underwriting result:                                                   |                                                                             |                                                                             |                        |                   |
| Net premiums written (+)                                               | 50,069                                                                      | 51,073                                                                      | 1,003                  | 2.0               |
| Net claims paid (—)                                                    | 33,106                                                                      | 33,637                                                                      | 530                    | 1.6               |
| Loss adjustment expenses (—)                                           | 4,473                                                                       | 4,047                                                                       | (425)                  | (9.5)             |
| Net operating expenses:                                                | 16,787                                                                      | 15,658                                                                      | (1,128)                | (6.7)             |
| Net commissions and brokerage fees                                     | 1,138                                                                       | 1,073                                                                       | (64)                   | (5.7)             |
| Operating, general and administrative expenses related to underwriting | 15,649                                                                      | 14,584                                                                      | (1,064)                | (6.8)             |
| Underwriting result                                                    | (4,297)                                                                     | (2,269)                                                                     | 2,027                  | —                 |
| Underwriting profit (loss)                                             | (3,434)                                                                     | (1,383)                                                                     | 2,051                  | —                 |
| Ratios:                                                                |                                                                             |                                                                             |                        |                   |
| Net loss ratio (%)                                                     | 75.1                                                                        | 73.8                                                                        | (1.3)                  |                   |
| Net operating expenses ratio (%)                                       | 33.5                                                                        | 30.7                                                                        | (2.9)                  |                   |
| Combined ratio (%)                                                     | 108.6                                                                       | 104.4                                                                       | (4.1)                  |                   |

Note) Amount for the fiscal year ended March 31, 2019 represents the combined results of SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED and Sonpo 24 Insurance Company Limited. Amount for the fiscal year ended March 31, 2020 includes the result of Sonpo 24 Insurance Company Limited for the three months ended June 30, 2019.

## SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED (Non-consolidated)

## Non-consolidated Solvency Margin Ratio

(Millions of yen)

|                                                                                                                         | As of March 31, 2019                                           |                                          | As of March 31, 2020 |
|-------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|------------------------------------------|----------------------|
|                                                                                                                         | SAISON<br>AUTOMOBILE AND<br>FIRE INSURANCE<br>COMPANY, LIMITED | Sampo 24<br>Insurance<br>Company Limited |                      |
| (A) Total Non-consolidated Solvency Margin                                                                              | 10,676                                                         | 10,216                                   | 17,272               |
| Capital and funds, etc.                                                                                                 | 5,554                                                          | 9,940                                    | 13,565               |
| Reserve for price fluctuation                                                                                           | 49                                                             | —                                        | 57                   |
| Contingency reserve                                                                                                     | 11                                                             | —                                        | 11                   |
| Catastrophic loss reserve                                                                                               | 4,400                                                          | 276                                      | 3,358                |
| General allowance for possible credit losses                                                                            | —                                                              | —                                        | —                    |
| Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)           | 660                                                            | —                                        | 279                  |
| 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                                                                                                                  | 0                                                              | —                                        | —                    |
| (B) Total Non-consolidated Risks                                                                                        | 6,248                                                          | 1,649                                    | 8,250                |
| $\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$                                                                      |                                                                |                                          |                      |
| Underwriting risk ( $R_1$ )                                                                                             | 4,893                                                          | 1,455                                    | 6,591                |
| Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance ( $R_2$ ) | —                                                              | —                                        | —                    |
| Guaranteed interest rate risk ( $R_3$ )                                                                                 | 19                                                             | —                                        | 17                   |
| Investment risk ( $R_4$ )                                                                                               | 693                                                            | 202                                      | 1,033                |
| Business management risk ( $R_5$ )                                                                                      | 201                                                            | 53                                       | 268                  |
| Major catastrophe risk ( $R_6$ )                                                                                        | 1,101                                                          | 126                                      | 1,307                |
| (C) Non-consolidated Solvency Margin Ratio<br>[ (A) / ((B) × 1/2) ] × 100                                               | 341.7 %                                                        | 1,238.7 %                                | 418.6 %              |

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).



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

## Balance Sheet

|                                                | (Millions of yen)    |                      |                        |
|------------------------------------------------|----------------------|----------------------|------------------------|
|                                                | As of March 31, 2019 | As of March 31, 2020 | Increase<br>(Decrease) |
|                                                | Amount               | Amount               |                        |
| <b>Assets:</b>                                 |                      |                      |                        |
| Cash and deposits:                             | 92,843               | 116,117              | 23,274                 |
| Cash                                           | —                    | 0                    | 0                      |
| Deposits                                       | 92,843               | 116,117              | 23,274                 |
| Securities:                                    | 2,805,201            | 2,983,851            | 178,649                |
| Government bonds                               | 1,845,412            | 1,902,571            | 57,158                 |
| Municipal bonds                                | 65,809               | 74,127               | 8,318                  |
| Corporate bonds                                | 425,036              | 515,243              | 90,207                 |
| Domestic stocks                                | 8,648                | 7,319                | (1,329)                |
| Foreign securities                             | 460,294              | 484,588              | 24,294                 |
| Loans:                                         | 41,734               | 43,163               | 1,428                  |
| Policy loans                                   | 41,734               | 43,163               | 1,428                  |
| Tangible fixed assets:                         | 1,297                | 1,640                | 342                    |
| Buildings                                      | 445                  | 445                  | (0)                    |
| Leased assets                                  | 566                  | 676                  | 109                    |
| Other tangible fixed assets                    | 286                  | 519                  | 233                    |
| Agency accounts receivable                     | 133                  | 109                  | (23)                   |
| Reinsurance accounts receivable                | 1,435                | 1,356                | (78)                   |
| Other assets:                                  | 54,814               | 54,893               | 79                     |
| Accounts receivable                            | 37,028               | 36,919               | (109)                  |
| Prepaid expenses                               | 2,041                | 2,011                | (30)                   |
| Accrued income                                 | 8,045                | 8,416                | 371                    |
| Advance deposits                               | 2,760                | 2,506                | (253)                  |
| Derivative assets                              | 4,402                | 4,145                | (257)                  |
| Cash collateral paid for financial instruments | 80                   | 230                  | 150                    |
| Suspense payments                              | 370                  | 572                  | 202                    |
| Other assets                                   | 86                   | 91                   | 5                      |
| Deferred tax assets                            | 8,680                | 16,731               | 8,050                  |
| Allowance for possible credit losses           | (51)                 | (112)                | (60)                   |
| <b>Total assets</b>                            | <b>3,006,090</b>     | <b>3,217,752</b>     | <b>211,662</b>         |

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

## Balance Sheet

(Millions of yen)

|                                                                                                                     | As of March 31, 2019 | As of March 31, 2020 | Increase<br>(Decrease) |
|---------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|------------------------|
|                                                                                                                     | Amount               | Amount               |                        |
| <b>Liabilities:</b>                                                                                                 |                      |                      |                        |
| Policy reserves:                                                                                                    | 2,784,798            | 2,967,301            | 182,502                |
| Reserve for outstanding claims                                                                                      | 45,266               | 43,152               | (2,114)                |
| Policy reserves                                                                                                     | 2,734,761            | 2,919,802            | 185,040                |
| Reserve for dividends to policyholders                                                                              | 4,770                | 4,346                | (423)                  |
| Agency accounts payable                                                                                             | 4,097                | 3,494                | (603)                  |
| Reinsurance accounts payable                                                                                        | 821                  | 826                  | 4                      |
| Other liabilities:                                                                                                  | 46,592               | 85,548               | 38,956                 |
| Payables under securities lending transactions                                                                      | 24,887               | 69,308               | 44,420                 |
| Income taxes payable                                                                                                | 4,174                | 3,789                | (385)                  |
| Accounts payable                                                                                                    | 6,587                | 168                  | (6,419)                |
| Accrued expenses                                                                                                    | 7,852                | 7,613                | (239)                  |
| Deposits received                                                                                                   | 1,637                | 1,752                | 115                    |
| Derivative liabilities                                                                                              | 198                  | 1,360                | 1,162                  |
| Cash collateral received for financial instruments                                                                  | —                    | 300                  | 300                    |
| Lease obligations                                                                                                   | 686                  | 793                  | 106                    |
| Suspense receipts                                                                                                   | 567                  | 462                  | (104)                  |
| Reserve for bonus payments to directors                                                                             | 37                   | 37                   | (0)                    |
| Reserve for retirement benefits                                                                                     | 3,802                | 4,134                | 331                    |
| Reserve for possible reimbursement of prescribed claims                                                             | 601                  | 584                  | (17)                   |
| Reserves under the special laws:                                                                                    | 7,490                | 8,213                | 723                    |
| Reserve for price fluctuation                                                                                       | 7,490                | 8,213                | 723                    |
| <b>Total liabilities</b>                                                                                            | <b>2,848,241</b>     | <b>3,070,138</b>     | <b>221,897</b>         |
| <b>Net assets:</b>                                                                                                  |                      |                      |                        |
| Shareholders' equity:                                                                                               |                      |                      |                        |
| Common stock                                                                                                        | 17,250               | 17,250               | —                      |
| Capital surplus:                                                                                                    | 13,333               | 13,333               | —                      |
| Capital reserves                                                                                                    | 13,333               | 13,333               | —                      |
| Retained earnings:                                                                                                  | 74,169               | 82,752               | 8,583                  |
| Legal reserve                                                                                                       | 1,570                | 3,170                | 1,600                  |
| Other retained earnings:                                                                                            | 72,599               | 79,582               | 6,983                  |
| Reserve under Article 10 of the Supplementary Provisions of Ordinance for Enforcement of the Insurance Business Act | 325                  | 325                  | —                      |
| Retained earnings carried forward                                                                                   | 72,274               | 79,257               | 6,983                  |
| Total shareholders' equity                                                                                          | 104,752              | 113,336              | 8,583                  |
| Valuation and translation adjustments:                                                                              |                      |                      |                        |
| Unrealized gains and losses on securities available for sale                                                        | 53,096               | 34,277               | (18,818)               |
| Total valuation and translation adjustments                                                                         | 53,096               | 34,277               | (18,818)               |
| <b>Total net assets</b>                                                                                             | <b>157,848</b>       | <b>147,613</b>       | <b>(10,235)</b>        |
| <b>Total liabilities and net assets</b>                                                                             | <b>3,006,090</b>     | <b>3,217,752</b>     | <b>211,662</b>         |

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

## Statement of Income

(Millions of yen)

|                                                                             | Fiscal year ended<br>March 31, 2019<br>(April 1, 2018 to<br>March 31, 2019) | Fiscal year ended<br>March 31, 2020<br>(April 1, 2019 to<br>March 31, 2020) | Increase<br>(Decrease) | Rate of<br>change |
|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------------------|-------------------|
|                                                                             | Amount                                                                      | Amount                                                                      |                        |                   |
|                                                                             |                                                                             |                                                                             |                        | %                 |
| Ordinary income:                                                            | 495,111                                                                     | 500,819                                                                     | 5,707                  | 1.2               |
| Insurance premiums and other:                                               | 444,443                                                                     | 446,510                                                                     | 2,066                  | 0.5               |
| Insurance premiums                                                          | 441,582                                                                     | 444,162                                                                     | 2,580                  | 0.6               |
| Reinsurance income                                                          | 2,861                                                                       | 2,347                                                                       | (513)                  | (18.0)            |
| Investment income:                                                          | 48,621                                                                      | 49,425                                                                      | 803                    | 1.7               |
| Interest and dividend income and other:                                     | 44,583                                                                      | 45,731                                                                      | 1,147                  | 2.6               |
| Interest and dividends on securities                                        | 43,301                                                                      | 44,393                                                                      | 1,091                  | 2.5               |
| Interest on loans                                                           | 1,235                                                                       | 1,290                                                                       | 54                     | 4.4               |
| Other interest and dividends                                                | 46                                                                          | 47                                                                          | 1                      | 2.6               |
| Gains on sales of securities                                                | 3,635                                                                       | 3,683                                                                       | 47                     | 1.3               |
| Foreign exchange gains                                                      | 7                                                                           | 8                                                                           | 0                      | 10.6              |
| Other investment income                                                     | 2                                                                           | 2                                                                           | (0)                    | (22.7)            |
| Investment gains on special account                                         | 391                                                                         | —                                                                           | (391)                  | (100.0)           |
| Other ordinary income:                                                      | 2,045                                                                       | 4,883                                                                       | 2,837                  | 138.7             |
| Fund receipt for annuity rider                                              | 494                                                                         | 1,198                                                                       | 704                    | 142.6             |
| Fund receipt for claim deposit payments                                     | 1,542                                                                       | 1,562                                                                       | 20                     | 1.3               |
| Reversal of reserve for outstanding claims                                  | —                                                                           | 2,114                                                                       | 2,114                  | —                 |
| Other ordinary income                                                       | 9                                                                           | 7                                                                           | (1)                    | (18.5)            |
| Ordinary expenses:                                                          | 468,524                                                                     | 472,382                                                                     | 3,858                  | 0.8               |
| Insurance claims and other:                                                 | 186,185                                                                     | 190,877                                                                     | 4,692                  | 2.5               |
| Insurance claims                                                            | 32,214                                                                      | 34,513                                                                      | 2,298                  | 7.1               |
| Annuity payments                                                            | 11,621                                                                      | 11,193                                                                      | (427)                  | (3.7)             |
| Insurance benefits                                                          | 45,853                                                                      | 49,332                                                                      | 3,478                  | 7.6               |
| Surrender benefits                                                          | 90,285                                                                      | 89,761                                                                      | (523)                  | (0.6)             |
| Other refunds                                                               | 2,640                                                                       | 2,843                                                                       | 203                    | 7.7               |
| Reinsurance premiums                                                        | 3,569                                                                       | 3,233                                                                       | (336)                  | (9.4)             |
| Provision for policy reserves and other:                                    | 180,683                                                                     | 185,041                                                                     | 4,357                  | 2.4               |
| Provision for reserve for outstanding claims                                | 3,286                                                                       | —                                                                           | (3,286)                | (100.0)           |
| Provision for policy reserves                                               | 177,396                                                                     | 185,040                                                                     | 7,644                  | 4.3               |
| Provision for interest portion of reserve for<br>dividends to policyholders | 0                                                                           | 0                                                                           | 0                      | 11.5              |
| Investment expenses:                                                        | 3,508                                                                       | 3,539                                                                       | 30                     | 0.9               |
| Interest paid                                                               | 80                                                                          | 76                                                                          | (3)                    | (4.8)             |
| Losses on sales of securities                                               | 2,394                                                                       | 998                                                                         | (1,396)                | (58.3)            |
| Losses on derivatives                                                       | 926                                                                         | 374                                                                         | (552)                  | (59.6)            |
| Provision for allowance for possible credit losses                          | 7                                                                           | 64                                                                          | 56                     | 743.0             |
| Other investment expenses                                                   | 99                                                                          | 101                                                                         | 1                      | 1.8               |
| Investment losses on special account                                        | —                                                                           | 1,925                                                                       | 1,925                  | —                 |
| Operating expenses                                                          | 93,273                                                                      | 87,627                                                                      | (5,645)                | (6.1)             |
| Other ordinary expenses:                                                    | 4,873                                                                       | 5,297                                                                       | 423                    | 8.7               |
| Claim deposit payments                                                      | 1,369                                                                       | 1,548                                                                       | 178                    | 13.0              |
| Taxes                                                                       | 2,132                                                                       | 2,170                                                                       | 38                     | 1.8               |
| Depreciation                                                                | 456                                                                         | 532                                                                         | 75                     | 16.6              |
| Provision for reserve for retirement benefits                               | 103                                                                         | 331                                                                         | 227                    | 219.2             |
| Other ordinary expenses                                                     | 811                                                                         | 713                                                                         | (97)                   | (12.1)            |
| Ordinary profit                                                             | 26,586                                                                      | 28,436                                                                      | 1,849                  | 7.0               |
| Extraordinary gains:                                                        | —                                                                           | 3                                                                           | 3                      | —                 |
| Gains on disposal of fixed assets and other                                 | —                                                                           | 3                                                                           | 3                      | —                 |
| Extraordinary losses:                                                       | 1,694                                                                       | 2,319                                                                       | 624                    | 36.9              |
| Losses on disposal of fixed assets and other                                | 33                                                                          | 38                                                                          | 4                      | 12.5              |
| Provision for reserves under the special laws:                              | 651                                                                         | 723                                                                         | 71                     | 11.0              |
| Provision for reserve for price fluctuation                                 | 651                                                                         | 723                                                                         | 71                     | 11.0              |
| Other extraordinary losses                                                  | 1,009                                                                       | 1,558                                                                       | 549                    | 54.4              |
| Provision for reserve for dividends to policyholders                        | 3,292                                                                       | 2,857                                                                       | (434)                  | (13.2)            |
| Net income before income taxes                                              | 21,599                                                                      | 23,262                                                                      | 1,662                  | 7.7               |
| Income taxes                                                                | 6,930                                                                       | 7,411                                                                       | 480                    | 6.9               |
| Deferred income taxes                                                       | (725)                                                                       | (732)                                                                       | (7)                    | —                 |
| Total income taxes                                                          | 6,204                                                                       | 6,678                                                                       | 473                    | 7.6               |
| Net income                                                                  | 15,394                                                                      | 16,583                                                                      | 1,188                  | 7.7               |

## Sompo 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, 2019 |                           |         |                           | As of March 31, 2020 |                           |         |                           |
|----------------------|----------------------|---------------------------|---------|---------------------------|----------------------|---------------------------|---------|---------------------------|
|                      | Number               |                           | Amount  |                           | Number               |                           | Amount  |                           |
|                      |                      | % of previous fiscal year |         | % of previous fiscal year |                      | % of previous fiscal year |         | % of previous fiscal year |
| Individual insurance | 4,088                | 102.7                     | 230,734 | 105.5                     | 4,143                | 101.4                     | 234,291 | 101.5                     |
| Individual annuities | 58                   | 90.8                      | 2,375   | 95.8                      | 54                   | 93.5                      | 2,296   | 96.7                      |
| Group insurance      | —                    | —                         | 27,106  | 97.3                      | —                    | —                         | 27,526  | 101.5                     |
| 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, 2019<br>(April 1, 2018 to March 31, 2019) |                           |        |                           | Fiscal year ended March 31, 2020<br>(April 1, 2019 to March 31, 2020) |                           |        |                           |
|----------------------|-----------------------------------------------------------------------|---------------------------|--------|---------------------------|-----------------------------------------------------------------------|---------------------------|--------|---------------------------|
|                      | Number                                                                |                           | Amount |                           | Number                                                                |                           | Amount |                           |
|                      |                                                                       | % of previous fiscal year |        | % of previous fiscal year |                                                                       | % of previous fiscal year |        | % of previous fiscal year |
| Individual insurance | 344                                                                   | 110.1                     | 42,443 | 286.0                     | 263                                                                   | 76.7                      | 24,755 | 58.3                      |
| Individual annuities | —                                                                     | —                         | —      | —                         | —                                                                     | —                         | —      | —                         |
| Group insurance      | —                                                                     | —                         | 170    | 92.6                      | —                                                                     | —                         | 142    | 83.2                      |
| Group annuities      | —                                                                     | —                         | —      | —                         | —                                                                     | —                         | —      | —                         |

Note) Amounts of "Individual annuities" represent amounts of annuity fund at the beginning of annuity payment.

## Annualized premiums

## Policies in force

(Millions of yen, %)

|                               | As of March 31, 2019 |                           | As of March 31, 2020 |                           |
|-------------------------------|----------------------|---------------------------|----------------------|---------------------------|
|                               |                      | % of previous fiscal year |                      | % of previous fiscal year |
| Individual insurance          | 361,913              | 102.9                     | 363,672              | 100.5                     |
| Individual annuities          | 16,673               | 89.4                      | 15,643               | 93.8                      |
| Total                         | 378,586              | 102.2                     | 379,315              | 100.2                     |
| Medical and survival benefits | 148,423              | 104.1                     | 154,226              | 103.9                     |

## New policies

(Millions of yen, %)

|                               | Fiscal year ended March 31, 2019<br>(April 1, 2018 to March 31, 2019) |                           | Fiscal year ended March 31, 2020<br>(April 1, 2019 to March 31, 2020) |                           |
|-------------------------------|-----------------------------------------------------------------------|---------------------------|-----------------------------------------------------------------------|---------------------------|
|                               |                                                                       | % of previous fiscal year |                                                                       | % of previous fiscal year |
| Individual insurance          | 37,098                                                                | 103.4                     | 25,032                                                                | 67.5                      |
| Individual annuities          | —                                                                     | —                         | —                                                                     | —                         |
| Total                         | 37,098                                                                | 103.4                     | 25,032                                                                | 67.5                      |
| Medical and survival benefits | 13,436                                                                | 95.4                      | 13,352                                                                | 99.4                      |

Notes)

- 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.
- 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.

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

## Non-consolidated Solvency Margin Ratio

(Millions of yen)

|                                                                                                                                                                                                          | As of March 31, 2019 | As of March 31, 2020 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| (A) Total Non-consolidated Solvency Margin                                                                                                                                                               | 383,002              | 382,291              |
| Capital, etc.                                                                                                                                                                                            | 104,752              | 113,336              |
| Reserve for price fluctuation                                                                                                                                                                            | 7,490                | 8,213                |
| Contingency reserve                                                                                                                                                                                      | 31,642               | 32,499               |
| General allowance for possible credit losses                                                                                                                                                             | 4                    | 5                    |
| Unrealized gains and losses on securities (before tax effect deductions) (90% of gain or 100% of loss), deferred gains and losses on hedges (before tax effect deductions) (90% of gain or 100% of loss) | 66,370               | 42,847               |
| Unrealized gains and losses on land (85% of gain or 100% of loss)                                                                                                                                        | —                    | —                    |
| Excess amount of continued Zillmerized reserve                                                                                                                                                           | 172,796              | 182,064              |
| Subordinated debt, etc.                                                                                                                                                                                  | —                    | —                    |
| Excess amount of continued Zillmerized reserve and subordinated debt, etc. which are excluded from total solvency margin                                                                                 | (28,599)             | (27,819)             |
| Brought in capital, etc.                                                                                                                                                                                 | —                    | —                    |
| Deductions                                                                                                                                                                                               | —                    | —                    |
| Others                                                                                                                                                                                                   | 28,545               | 31,144               |
| (B) Total Non-consolidated Risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$                                                                                                                      | 50,809               | 51,935               |
| Underwriting risk ( $R_1$ )                                                                                                                                                                              | 14,188               | 14,392               |
| Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance ( $R_8$ )                                                                                  | 9,961                | 10,554               |
| Guaranteed interest rate risk ( $R_2$ )                                                                                                                                                                  | 8,443                | 8,442                |
| Guaranteed minimum benefit risk ( $R_7$ )                                                                                                                                                                | 388                  | 393                  |
| Investment risk ( $R_3$ )                                                                                                                                                                                | 34,335               | 35,137               |
| Business management risk ( $R_4$ )                                                                                                                                                                       | 1,346                | 1,378                |
| (C) Non-consolidated Solvency Margin Ratio<br>[ (A) / {(B) × 1/2} ] × 100                                                                                                                                | 1,507.5 %            | 1,472.1 %            |

## 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.

## 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
- Combined ratio = Net loss ratio + Net operating expenses ratio

## &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, 2020 at Press Conference

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

###### (1) Key figures

(Yen in hundred millions)

|                                  | Fiscal year ended<br>March 31, 2019 | Six months ended<br>September 30, 2019 | Fiscal year ended<br>March 31, 2020 | Increase<br>(Decrease) | Increase<br>(Decrease) |
|----------------------------------|-------------------------------------|----------------------------------------|-------------------------------------|------------------------|------------------------|
|                                  | (A)                                 | (B)                                    | (C)                                 | (C) - (A)              | (C) - (B)              |
| 1 Net premiums written           | 21,486                              | 11,281                                 | 21,847                              | 361                    | —                      |
| Rate of change                   | (0.9)%                              | 3.2 %                                  | 1.7 %                               | 2.6 %                  | (1.5)%                 |
| 2 Total assets                   | 75,158                              | 73,595                                 | 71,660                              | (3,498)                | (1,934)                |
| 3 Loss ratio                     | 69.8 %                              | 57.8 %                                 | 64.9 %                              | (4.9)%                 | 7.1 %                  |
| 4 Operating expenses ratio       | 32.1 %                              | 31.7 %                                 | 32.4 %                              | 0.3 %                  | 0.7 %                  |
| 5 Combined ratio                 | 101.9 %                             | 89.5 %                                 | 97.3 %                              | (4.6)%                 | 7.8 %                  |
| Underwriting result ratio        | (1.9)%                              | 10.5 %                                 | 2.7 %                               | 4.6 %                  | (7.8)%                 |
| 6 Voluntary automobile insurance |                                     |                                        |                                     |                        |                        |
| • Net premiums written           | 10,731                              | 5,405                                  | 10,847                              | 115                    | —                      |
| Rate of change                   | (0.5)%                              | 1.2 %                                  | 1.1 %                               | 1.6 %                  | (0.1)%                 |
| • Underwriting result ratio      | 6.4 %                               | 10.1 %                                 | 7.7 %                               | 1.3 %                  | (2.4)%                 |
| • Loss ratio                     | 62.2 %                              | 58.3 %                                 | 60.6 %                              | (1.7)%                 | 2.3 %                  |
| • Operating expenses ratio       | 31.4 %                              | 31.6 %                                 | 31.7 %                              | 0.3 %                  | 0.1 %                  |
| 7 Fire and allied insurance      |                                     |                                        |                                     |                        |                        |
| • Net premiums written           | 2,650                               | 1,498                                  | 2,851                               | 200                    | —                      |
| Rate of change                   | (5.9)%                              | 14.9 %                                 | 7.6 %                               | 13.5 %                 | (7.3)%                 |
| • Underwriting result ratio      | (51.4)%                             | (1.0)%                                 | (28.3)%                             | 23.1 %                 | (27.3)%                |
| • Loss ratio                     | 107.2 %                             | 59.8 %                                 | 84.5 %                              | (22.6)%                | 24.7 %                 |
| • Operating expenses ratio       | 44.3 %                              | 41.2 %                                 | 43.8 %                              | (0.5)%                 | 2.5 %                  |
| 8 Number of employees            | 26,108                              | 25,411                                 | 24,689                              | (1,419)                | (722)                  |
| 9 Number of agencies             | 53,734                              | 52,217                                 | 50,719                              | (3,015)                | (1,498)                |

###### <Reference> Consolidated figures of Sompo Holdings, Inc.

(Yen in hundred millions)

|                                                         | Fiscal year ended<br>March 31, 2019 | Six months ended<br>September 30, 2019 | Fiscal year ended<br>March 31, 2020 | Increase<br>(Decrease) | Increase<br>(Decrease) |
|---------------------------------------------------------|-------------------------------------|----------------------------------------|-------------------------------------|------------------------|------------------------|
|                                                         | (A)                                 | (B)                                    | (C)                                 | (C) - (A)              | (C) - (B)              |
| 1 Ordinary income                                       | 36,430                              | 19,554                                 | 37,603                              | 1,173                  | —                      |
| 2 Net premiums written                                  | 27,181                              | 15,024                                 | 28,254                              | 1,073                  | —                      |
| Rate of change                                          | (4.8)%                              | 4.3 %                                  | 3.9 %                               | 8.7 %                  | (0.4)%                 |
| 3 Life insurance premiums written                       | 3,496                               | 1,729                                  | 3,560                               | 64                     | —                      |
| Rate of change                                          | 0.8 %                               | 1.5 %                                  | 1.8 %                               | 1.1 %                  | 0.4 %                  |
| 4 Ordinary profit                                       | 1,989                               | 637                                    | 1,924                               | (65)                   | —                      |
| 5 Net income attributable to shareholders of the parent | 1,466                               | 439                                    | 1,225                               | (241)                  | —                      |

###### Notes)

- Loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written × 100
- Operating expenses ratio = (Net commissions and brokerage fees + Operating, general and administrative expenses related to underwriting) / Net premiums written × 100
- Combined ratio = Loss ratio + Operating expenses ratio
- Underwriting result ratio = 100 - Combined ratio
- Items with % within "Increase (Decrease)" represent change from the fiscal year ended March 31, 2019 and the six months ended September 30, 2019, respectively.



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

## (2) Other figures

## (a) Impairment losses on securities

(Yen in hundred millions)

|                    | Fiscal year ended<br>March 31, 2019 | Six months ended<br>September 30, 2019 | Fiscal year ended<br>March 31, 2020 |
|--------------------|-------------------------------------|----------------------------------------|-------------------------------------|
| Domestic bonds     | —                                   | —                                      | —                                   |
| Domestic stocks    | 32                                  | 8                                      | 89                                  |
| Foreign securities | 15                                  | 2                                      | 27                                  |
| Others             | 0                                   | 0                                      | 0                                   |
| Total              | 48                                  | 10                                     | 117                                 |

Note) Besides the above, impairment losses on trust assets (securities) in money trusts other than trading purposes or held to maturity amount to 4 hundred million yen for the fiscal year ended March 31, 2019, 1 hundred million yen for the six months ended September 30, 2019 and 47 hundred million yen for the fiscal year ended March 31, 2020.  
This amount is 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, Sampo Japan recognizes impairment losses on securities if fair value declines by 30% or more from book value.

## (b) Impairment losses on fixed assets

(Yen in hundred millions)

|           | Fiscal year ended<br>March 31, 2019 | Six months ended<br>September 30, 2019 | Fiscal year ended<br>March 31, 2020 |
|-----------|-------------------------------------|----------------------------------------|-------------------------------------|
| Land      | 6                                   | 1                                      | 16                                  |
| Buildings | 0                                   | 0                                      | 5                                   |
| Others    | —                                   | —                                      | —                                   |
| Total     | 7                                   | 2                                      | 21                                  |

## (c) Unrealized gains and losses on securities

(Yen in hundred millions)

|                    | As of March 31, 2019 | As of September 30, 2019 | As of March 31, 2020 |
|--------------------|----------------------|--------------------------|----------------------|
| Domestic bonds     | 1,349                | 1,409                    | 1,141                |
| Domestic stocks    | 8,482                | 7,956                    | 6,115                |
| Foreign securities | 1,010                | 1,042                    | 831                  |
| Others             | 51                   | 57                       | 34                   |
| Total              | 10,893               | 10,466                   | 8,122                |

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 18 hundred million yen as of March 31, 2019, 20 hundred million yen as of September 30, 2019 and (5) hundred million yen as of March 31, 2020.

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

## (d) Claims during the period due to natural disasters in Japan (excluding household earthquake insurance)

(Yen in hundred millions)

|                         | Fiscal year ended<br>March 31, 2019 | Six months ended<br>September 30, 2019 | Fiscal year ended<br>March 31, 2020 |
|-------------------------|-------------------------------------|----------------------------------------|-------------------------------------|
| Direct claims paid a    | 3,859                               | 79                                     | 2,765                               |
| Net claims paid b       | 1,586                               | 78                                     | 812                                 |
| Unpaid claims c         | 192                                 | 352                                    | 119                                 |
| Net incurred loss b + c | 1,778                               | 431                                    | 932                                 |

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.

## (e) Catastrophic loss reserve

(Yen in hundred millions, %)

| Business line                  | Fiscal year ended<br>March 31, 2019 |                  |           | Six months ended<br>September 30, 2019 |                  |           | Fiscal year ended<br>March 31, 2020 |                  |           |
|--------------------------------|-------------------------------------|------------------|-----------|----------------------------------------|------------------|-----------|-------------------------------------|------------------|-----------|
|                                | Balance                             | Balance<br>ratio | Provision | Balance                                | Balance<br>ratio | Provision | Balance                             | Balance<br>ratio | Provision |
| Fire and allied insurance      | 1,351                               | 51.1             | 1,176     | 1,577                                  | 52.7             | 226       | 1,069                               | 37.5             | 630       |
| Marine insurance               | 437                                 | 98.7             | 23        | 452                                    | 93.6             | 14        | 440                                 | 93.9             | 15        |
| Personal accident insurance    | 694                                 | 40.7             | 53        | 723                                    | 39.6             | 29        | 715                                 | 42.8             | 52        |
| Voluntary automobile insurance | 390                                 | 3.6              | 347       | 477                                    | 4.4              | 175       | 357                                 | 3.3              | 357       |
| Others                         | 2,041                               | 64.4             | 155       | 2,133                                  | 60.4             | 102       | 1,996                               | 62.3             | 101       |
| Total                          | 4,915                               | 26.3             | 1,757     | 5,364                                  | 27.3             | 547       | 4,578                               | 24.1             | 1,157     |

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, 2019, 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.

## (f) Reinsurance assumed

(Yen in hundred millions)

| Business line                             | Fiscal year ended March 31, 2019 |                               | Fiscal year ended March 31, 2020 |                               |
|-------------------------------------------|----------------------------------|-------------------------------|----------------------------------|-------------------------------|
|                                           | Reinsurance premiums<br>assumed  | Reinsurance claims<br>assumed | Reinsurance premiums<br>assumed  | Reinsurance claims<br>assumed |
| Fire and allied insurance                 | 300                              | 307                           | 295                              | 273                           |
| Marine insurance                          | 109                              | 103                           | 142                              | 71                            |
| Personal accident insurance               | 11                               | 1                             | 10                               | 7                             |
| Voluntary automobile insurance            | 7                                | 8                             | 2                                | 5                             |
| Compulsory automobile liability insurance | 1,962                            | 2,061                         | 2,003                            | 1,919                         |
| Others                                    | 162                              | 145                           | 153                              | 86                            |
| Total                                     | 2,554                            | 2,627                         | 2,607                            | 2,363                         |

## (g) Reinsurance ceded

(Yen in hundred millions)

| Business line                             | Fiscal year ended March 31, 2019 |                             | Fiscal year ended March 31, 2020 |                             |
|-------------------------------------------|----------------------------------|-----------------------------|----------------------------------|-----------------------------|
|                                           | Reinsurance premiums<br>ceded    | Reinsurance claims<br>ceded | Reinsurance premiums<br>ceded    | Reinsurance claims<br>ceded |
| Fire and allied insurance                 | 1,645                            | 2,828                       | 1,874                            | 2,698                       |
| Marine insurance                          | 127                              | 92                          | 137                              | 59                          |
| Personal accident insurance               | 48                               | 21                          | 55                               | 23                          |
| Voluntary automobile insurance            | 47                               | 177                         | 56                               | 246                         |
| Compulsory automobile liability insurance | 2,153                            | 2,207                       | 2,105                            | 2,069                       |
| Others                                    | 857                              | 476                         | 883                              | 574                         |
| Total                                     | 4,880                            | 5,803                       | 5,112                            | 5,672                       |