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[English Translation]

Company Name : Sompo Holdings, Inc.
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Representative Director
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SOMPO Holdings announces the "Group Management Target for the second half (FY2019 and FY2020) of the current Mid-Term Management Plan (FY2016-FY2020)

SOMPO Holdings, Inc. (Group CEO & President : Kengo Sakurada, called the "Company" hereinafter) released the "Mid-Term Management Plan (FY2016 to FY2020)" as of May 26, 2016. We are pleased to announce that the Company has formulated the Group Management Target for the second half of the Mid-Term Management Plan (FY2019 and FY2020) incorporating the changes in the surrounding environments as well as the expansion of our business portfolio and progress in business performance.

【Group Management Target for the Second Half of the Mid-term Management Plan】

In the course of the first half of the current Mid-Term Management Plan, the Company has made steady progress in building foundation for the "theme park for security, health, and wellbeing" for qualitative transformation into a resilient Group in order to address drastic changes anticipated in the future.

In the second half of the current Mid-Term Management Plan that starts in the fiscal 2019, the Company intends to speed up the qualitative transformation even further based on the foundation built in the first half of the term so that the Company will survive and overcome increasingly rapid changes such as mega-scale natural disasters and prevalence of advanced digital technologies.

(Indicators)	FY2019 Target	FY2020 Target
Adjusted consolidated profit	¥ 185 billion	¥ 205-215 billion level
Adjusted consolidated ROE	7.5%	8% level

-End-

Sompo Holdings ceaselessly enhances the appeal of Domestic P&C Insurance Business, Overseas Insurance and Reinsurance Business, Domestic Life Insurance Business and Nursing Care & Healthcare Business while searching for new business opportunities and having businesses collaborate within the Group as well as the enhancing customer services with the benefit of digital technologies. In parallel, we respond to ever-changing customer needs and keep evolving the business portfolio of the Group while providing solution to societal issues and making steady progress to realize the vision of "theme park for the security, health and wellbeing of customers" that connects different stages of customers' life with a line of happiness.

<Reference> Definition of Adjusted consolidated Profit

		Method of Calculation
Adjusted profit for each business ※1	Domestic P&C insurance※2	Net income +Provisions for catastrophic loss reserve etc., (after tax) +Provisions for reserve for price fluctuation (after tax) -Gains/losses on sales of securities and impairment losses on securities (after tax)
	Overseas insurance and Reinsurance	Net income (including major non-consolidated subsidiaries) Operating income is used for Sompo International Holdings.※4
	Domestic life insurance	Net income +Provisions of contingency reserve (after tax) +Provisions of reserve for price fluctuation (after tax) +Adjustment of underwriting reserve (after tax) +Deferral of acquisition cost (after tax) -Depreciation of acquisition cost (after tax)
	Nursing care & healthcare, etc.※3	Net income
Adjusted consolidated profit		Total of above adjusted profits
Adjusted consolidated net assets		Consolidated net assets (excluding life insurance subsidiary's net assets) +Catastrophic loss reserve in domestic P&C insurance etc., (after tax) +Reserve for price fluctuation in domestic P&C insurance(after tax) +Domestic life insurance adjusted net assets※5
Adjusted consolidated ROE		Adjusted consolidated profit/Adjusted consolidated net assets Note: The dominator is the average balance as the end/start of each fiscal year.

※1 Adjusted profit for each business exclude one-time gains/losses and special factors (e.g., dividend from subsidiaries).

※2 The total of Sompo Japan Nipponkoa Insurance Inc.; SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED; Sompo 24 Insurance Company Limited; Sompo Japan Nipponkoa Insurance Services Inc.; Sompo Japan Nipponkoa DC Securities Inc.; Sompo Risk Management& Health Care Inc.; Mysurance Inc. DeNA SOMPO Mobility and DeNA SOMPO Carlife

※3 The total of Sompo Care Inc.; SOMPO JAPAN NIPPONKOA ASSET MANAGEMENT CO., LTD.; Prime Assistance Inc.; Sompo Warranty Inc.; FRESHHOUSE Co., Ltd.. and Sompo Health Support Inc.

※4 The adjusted profit of Sompo International is defined as operating income net of fluctuating, one-time factors (Operating income= Net income- Net foreign exchange gains/losses- Net realized and unrealized gains/losses on sales of securities as well as impairment loss/valuation gains on securities - Net impairment losses recognized in earnings, etc.).

※5 Domestic life insurance adjusted net assets= Net assets (JGAAP, after tax)+ Contingency reserve(after tax) + Reserve for price fluctuation (after tax) + Adjustment of underwriting reserve (after tax) + Non-depreciated acquisition cost (after tax)