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May 20, 2020

Sompo Holdings, Inc.

Summary of Consolidated Financial Results for the fiscal year ended March 31, 2020
[Under Japanese GAAP]

Company Name: Sompo Holdings, Inc.
Listed on: Tokyo Stock Exchange
Securities Code: 8630
URL: https://www.sompo-hd.com/en/
Representative: Kengo Sakurada, Group CEO, Director, President and Representative Executive Officer
Scheduled date to hold general meeting of stockholders: June 22, 2020
Scheduled date to file Securities Report: June 26, 2020
Scheduled date to start payment of dividends: June 23, 2020
Supplementary information for financial statements: Yes
Schedule for investor meeting: Yes (intended for institutional investors and analysts)

Note) Amounts less than one million yen are rounded down.

1. Consolidated Financial Results for the fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)

(1) Consolidated Results of Operations

Note) Percentages are changes from previous fiscal year.

	Ordinary income		Ordinary profit		Net income attributable to shareholders of the parent	
	millions of yen	%	millions of yen	%	millions of yen	%
Fiscal year ended March 31, 2020	3,760,366	3.2	192,451	(3.3)	122,515	(16.4)
Fiscal year ended March 31, 2019	3,643,040	(3.4)	198,959	40.2	146,626	4.9

Note) Comprehensive income: Fiscal year ended March 31, 2020 (77,806) million yen − %
Fiscal year ended March 31, 2019 (54,460) million yen − %

	Net income per share	Diluted net income per share	Return on equity	Ordinary profit to total assets	Ordinary profit to ordinary income
	yen	yen	%	%	%
Fiscal year ended March 31, 2020	334.12	333.89	7.3	1.6	5.1
Fiscal year ended March 31, 2019	392.26	391.96	8.0	1.7	5.5

Reference) Investment gains and losses on the equity method: Fiscal year ended March 31, 2020 (8,952) million yen
Fiscal year ended March 31, 2019 (593) million yen

(2) Consolidated Financial Conditions

	Total assets	Net assets	Equity ratio	Net assets per share
	millions of yen	millions of yen	%	yen
As of March 31, 2020	11,977,836	1,612,584	13.3	4,385.85
As of March 31, 2019	12,018,254	1,779,911	14.6	4,720.07

Reference) Equity capital: As of March 31, 2020 1,596,998 million yen
As of March 31, 2019 1,757,879 million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
	millions of yen	millions of yen	millions of yen	millions of yen
Fiscal year ended March 31, 2020	356,446	(140,117)	(230,605)	967,753
Fiscal year ended March 31, 2019	78,772	13,482	(19,127)	991,295

2. Dividends

	Dividends per share					Total annual dividends	Dividend payout ratio (Consolidated)	Dividends on net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Annual			
	yen	yen	yen	yen	yen	millions of yen	%	%
Fiscal year ended March 31, 2019	—	65.00	—	65.00	130.00	48,486	33.1	2.7
Fiscal year ended March 31, 2020	—	75.00	—	75.00	150.00	54,777	44.9	3.3
Fiscal year ending March 31, 2021 (Forecast)	—	80.00	—	80.00	160.00		38.8	

3. Forecasts of Consolidated Financial Results for the fiscal year ending March 31, 2021 (April 1, 2020 to March 31, 2021)

Note) Percentages are changes from previous fiscal year.

	Ordinary profit		Net income attributable to shareholders of the parent		Net income per share
	millions of yen	%	millions of yen	%	yen
Full year	223,000	15.9	150,000	22.4	411.94

(Notes)

(1) Changes in significant subsidiaries during the fiscal year ended March 31, 2020 (changes in specified subsidiaries resulting in changes in the scope of consolidation): Yes

Increase: 1 (Company Name：Sompo International Holdings Brasil Ltda.)

(2) Changes in accounting policies, changes in accounting estimations, and retrospective restatements

(a) Changes in accounting policies due to revisions to accounting standards, etc.: None

(b) Changes in accounting policies due to reasons other than the above: Yes

(c) Changes in accounting estimations: None

(d) Retrospective restatements: None

(3) Number of shares outstanding (Common stock) :

(a) Total shares outstanding including treasury stock:

As of March 31, 2020 373,330,489 shares

As of March 31, 2019 373,330,489 shares

(b) Treasury stock:

As of March 31, 2020 9,205,407 shares

As of March 31, 2019 904,330 shares

(c) Average number of shares outstanding:

For the fiscal year ended March 31, 2020 366,675,259 shares

For the fiscal year ended March 31, 2019 373,792,262 shares

(Expression of implementation status of audit procedures)

This summary is not subject to audits by a certified public accountant or an incorporated accounting firm.

(Notes for using forecasted information, etc.)

The forecasts included in this document are based on the currently available information and certain assumptions that we believe reasonable. Accordingly, the actual results, etc. may differ materially from those projected herein depending on various factors.

Overview of Results of Operations

(1)Overview of Results of Operations for the fiscal year ended March 31, 2020

During the fiscal year ended March 31, 2020, the global economy slowed sharply as the economic activities were suppressed due to the COVID-19 pandemic, despite gradual recovery of the economy as a whole. The Japanese economy is in severe situation, extremely depressed by COVID-19, despite improvement of employment conditions and a rebound in personal consumption.

Under these circumstances, the consolidated financial results of Sompo Holdings Group ("SOMPO HOLDINGS") for the fiscal year ended March 31, 2020 were as follows:

Ordinary income increased by 117.3 billion yen to 3,760.3 billion yen compared to the previous fiscal year, the components of which were underwriting income of 3,334.6 billion yen, investment income of 266.7 billion yen and other ordinary income of 158.9 billion yen. Meanwhile, ordinary expenses increased by 123.8 billion yen to 3,567.9 billion yen compared to the previous fiscal year, the components of which were underwriting expenses of 2,839.2 billion yen, investment expenses of 48.1 billion yen, operating, general and administrative expenses of 539.1 billion yen and other ordinary expenses of 141.3 billion yen.

As a result of the foregoing, Sompo Holdings, Inc. (the "Company") reported ordinary profit, calculated as ordinary income minus ordinary expenses, of 192.4 billion yen, a decrease of 6.5 billion yen from the previous fiscal year. The Company posted net income attributable to shareholders of the parent, after extraordinary items, net of income taxes and deferred income taxes and others, of 122.5 billion yen, a decrease of 24.1 billion yen from the previous fiscal year.

Business results for each of the SOMPO HOLDINGS' reporting segments were as follows:

(a) Domestic P&C insurance business

In the domestic P&C insurance business, net premiums written amounted to 2,235.8 billion yen, an increase of 37.1 billion yen from the previous fiscal year, due to increased net premiums written in fire and automobile. The domestic P&C insurance business posted net income attributable to shareholders of the parent of 95.4 billion yen, a decrease of 44.3 billion yen from the previous fiscal year. This decrease was due mainly to a decrease in gross investment margin from the previous fiscal year.

(b) Overseas insurance business

In the overseas insurance business, net premiums written amounted to 589.6 billion yen, an increase of 70.2 billion yen from the previous fiscal year. Net income attributable to shareholders of the parent increased by 27.6 billion yen to a net income of 21.5 billion yen compared to the previous fiscal year.

(c) Domestic life insurance business

In the domestic life insurance business, life insurance premiums written amounted to 348.3 billion yen, an increase of 3.2 billion yen from the previous fiscal year. The domestic life insurance business posted net income attributable to shareholders of the parent of 15.9 billion yen, an increase of 1.2 billion yen from the previous fiscal year.

(d) Nursing care & healthcare business

Ordinary income increased by 6.9 billion yen to 134.4 billion yen compared to the previous fiscal year. Net income attributable to shareholders of the parent increased by 1.5 billion yen to a net income of 1.3 billion yen compared to the previous fiscal year.

(2) Overview of Financial Condition as of March 31, 2020

Total assets as of March 31, 2020 amounted to 11,977.8 billion yen on a consolidated basis, a decrease of 40.4 billion yen from March 31, 2019. Total net assets as of March 31, 2020 amounted to 1,612.5 billion yen on a consolidated basis, a decrease of 167.3 billion yen from March 31, 2019.

Cash flows for the fiscal year ended March 31, 2020 were as follows:

Cash flows from operating activities resulted in a net inflow of 356.4 billion yen, an increase of 277.6 billion yen from the previous fiscal year, due mainly to improving underwriting result.

Cash flows from investing activities resulted in a net outflow of 140.1 billion yen, a decrease of 153.6 billion yen from the previous fiscal year, due mainly to an increase in purchase of securities.

Cash flows from financing activities resulted in a net outflow of 230.6 billion yen, a decrease of 211.4 billion yen from the previous fiscal year, due mainly to a decrease in payables under securities lending transactions.

As a result, cash and cash equivalents at the end of the period were 967.7 billion yen, a decrease of 23.5 billion yen from the end of the previous fiscal year.

(3) Outlook for the fiscal year ending March 31, 2021

For the fiscal year ending March 31, 2021, the Company is forecasting consolidated ordinary profit of 223.0 billion yen and net income attributable to shareholders of the parent of 150.0 billion yen, based on the following assumptions:

- Assumptions for net premiums written are based on the Company's own projections based on extrapolation from past trends and other factors.
- The Company is forecasting 60.0 billion yen for net incurred losses (excluding household earthquake insurance) of Sompo Japan Insurance Inc. due to domestic natural disasters that occur in the fiscal year ending March 31, 2021, taking into account past trends and other factors.
- The Company assumes no major change in market interest rates, exchange rates and stock prices from their levels at March 31, 2020.
- The Company calculates the effects of the spread of COVID-19 on the forecasts by using only the effects which are reasonably calculable and of which the likelihood of occurrence is high at the present moment. The Company plans to reflect other effects to the assumptions of forecasts when the estimated amounts of these effects can be scrutinized. The Company will announce the revised forecasts accordingly.

The above forecasts were prepared based on information available as of the date of this release. Accordingly, actual results may differ materially from projections depending on various factors.

Basic Approach to Selection of Accounting Standard

SOMPO HOLDINGS is considering the adoption of International Financial Reporting Standards (IFRS). As part of this process, SOMPO HOLDINGS is implementing measures such as examining company guidelines and building infrastructure.

SOMPO HOLDINGS plans to determine the timing of adoption based on the trends surrounding accounting standards for insurance contracts (IFRS 17) and other factors.

Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2019	As of March 31, 2020
Assets:		
Cash and deposits	971,469	925,014
Receivables under resale agreements	64,999	69,999
Monetary receivables bought	11,869	21,183
Money trusts	40,993	33,003
Securities	8,012,734	7,970,386
Loans	703,255	684,094
Tangible fixed assets:	355,144	374,393
Land	128,381	126,045
Buildings	124,558	135,333
Leased assets	55,598	71,969
Construction in progress	13,260	8,311
Other tangible fixed assets	33,345	32,734
Intangible fixed assets:	401,165	407,988
Software	21,023	18,822
Goodwill	198,694	172,665
Other intangible fixed assets	181,447	216,501
Other assets	1,447,194	1,428,879
Net defined benefit asset	207	186
Deferred tax assets	15,663	70,886
Allowance for possible credit losses	(6,442)	(8,179)
Total assets	12,018,254	11,977,836
Liabilities:		
Underwriting funds:	8,348,638	8,544,735
Reserve for outstanding losses and claims	1,559,910	1,558,502
Underwriting reserves	6,788,727	6,986,233
Corporate bonds	510,383	504,089
Other liabilities	1,113,887	1,091,499
Net defined benefit liability	103,796	94,094
Reserve for retirement benefits to directors	31	30
Reserve for bonus payments	30,363	32,969
Reserve for bonus payments to directors	261	702
Reserve for stocks payments	1,347	1,619
Reserves under the special laws:	90,722	95,387
Reserve for price fluctuation	90,722	95,387
Deferred tax liabilities	38,910	125
Total liabilities	10,238,342	10,365,252

(Millions of yen)

	As of March 31, 2019	As of March 31, 2020
Net assets:		
Shareholders' equity:		
Common stock	100,045	100,045
Capital surplus	244,170	244,129
Retained earnings	712,745	788,922
Treasury stock	(2,902)	(38,842)
Total shareholders' equity	1,054,058	1,094,254
Accumulated other comprehensive income:		
Unrealized gains and losses on securities available for sale	763,859	578,261
Deferred gains and losses on hedges	6,449	5,593
Foreign currency translation adjustments	(62,937)	(83,214)
Remeasurements of defined benefit plans	(3,551)	2,103
Total accumulated other comprehensive income	703,820	502,743
Stock acquisition rights	632	551
Non-controlling interests	21,399	15,033
Total net assets	1,779,911	1,612,584
Total liabilities and net assets	12,018,254	11,977,836

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)	Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)
Ordinary income:	3,643,040	3,760,366
Underwriting income:	3,220,047	3,334,680
Net premiums written	2,718,155	2,825,482
Deposits of premiums by policyholders	111,132	113,703
Interest and dividend income on deposits of premiums, etc.	38,203	35,140
Life insurance premiums written	349,606	356,064
Other underwriting income	2,949	4,289
Investment income:	273,249	266,713
Interest and dividend income	188,722	204,135
Investment gains on money trusts	5,445	202
Investment gains on trading securities	—	324
Gains on sales of securities	110,913	90,376
Gains on redemption of securities	1,709	1,032
Investment gains on special account	391	—
Other investment income	4,271	5,782
Transfer of interest and dividend income on deposits of premiums, etc.	(38,203)	(35,140)
Other ordinary income:	149,743	158,973
Other ordinary income	149,743	158,973
Ordinary expenses:	3,444,081	3,567,915
Underwriting expenses:	2,737,949	2,839,225
Net claims paid	1,694,889	1,645,340
Loss adjustment expenses	135,759	130,144
Net commissions and brokerage fees	504,932	531,419
Maturity refunds to policyholders	205,423	212,156
Dividends to policyholders	128	101
Life insurance claims paid and other payments	88,471	94,610
Provision for reserve for outstanding losses and claims	13,119	8,394
Provision for underwriting reserves	89,730	212,208
Other underwriting expenses	5,494	4,848
Investment expenses:	35,798	48,166
Investment losses on money trusts	1,006	2,507
Investment losses on trading securities	195	—
Losses on sales of securities	10,984	6,562
Impairment losses on securities	13,425	23,307
Losses on redemption of securities	236	455
Losses on derivatives	2,766	6,999
Investment losses on special account	—	1,925
Other investment expenses	7,184	6,408
Operating, general and administrative expenses	540,542	539,172
Other ordinary expenses:	129,792	141,350
Interest paid	13,902	14,166
Provision for allowance for possible credit losses	420	1,219
Losses on bad debt	27	54
Investment losses on the equity method	593	8,952
Other ordinary expenses	114,848	116,956
Ordinary profit	198,959	192,451

(Millions of yen)

	Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)	Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)
Extraordinary gains:	12,868	1,873
Gains on disposal of fixed assets	12,868	1,873
Extraordinary losses:	9,799	17,133
Losses on disposal of fixed assets	2,427	4,532
Impairment losses	1,735	2,672
Provision for reserves under the special laws:	4,626	4,664
Provision for reserve for price fluctuation	4,626	4,664
Other extraordinary losses	1,009	5,264
Net income before income taxes	202,029	177,191
Income taxes	43,276	71,733
Deferred income taxes	16,380	(17,729)
Total income taxes	59,657	54,004
Net income	142,372	123,187
Net income (loss) attributable to non-controlling shareholders	(4,253)	671
Net income attributable to shareholders of the parent	146,626	122,515

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)	Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)
Net income	142,372	123,187
Other comprehensive income:		
Unrealized gains and losses on securities available for sale	(154,942)	(185,486)
Deferred gains and losses on hedges	(601)	(856)
Foreign currency translation adjustments	(40,913)	(19,739)
Remeasurements of defined benefit plans	(328)	5,660
Share of other comprehensive income of affiliates accounted for under the equity method	(47)	(570)
Total other comprehensive income	(196,832)	(200,993)
Comprehensive income	(54,460)	(77,806)
(Comprehensive income attributable to)		
Comprehensive income attributable to shareholders of the parent	(49,978)	(78,553)
Comprehensive income attributable to non-controlling shareholders	(4,481)	747

(3) Consolidated Statement of Changes in Net Assets

Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	100,045	408,335	603,615	(128,182)	983,814
Cumulative effects of changes in accounting policies			3,529		3,529
Restated balance	100,045	408,335	607,144	(128,182)	987,343
Changes during the period:					
Dividends			(45,208)		(45,208)
Net income attributable to shareholders of the parent			146,626		146,626
Acquisition of treasury stock				(39,127)	(39,127)
Disposal of treasury stock		(50)		295	244
Cancellation of treasury stock		(164,112)		164,112	–
Changes in the scope of consolidation			4,182		4,182
Changes in interest of the parent related to transactions with non-controlling shareholders		(2)			(2)
Net changes in items other than shareholders' equity					
Total changes during the period	–	(164,165)	105,600	125,279	66,714
Balance at the end of the period	100,045	244,170	712,745	(2,902)	1,054,058

	Accumulated other comprehensive income					Stock acquisition rights	Non-controlling interests	Total net assets
	Unrealized gains and losses on securities available for sale	Deferred gains and losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the period	922,425	7,050	(22,317)	(3,205)	903,954	749	27,692	1,916,210
Cumulative effects of changes in accounting policies	(3,529)				(3,529)			–
Restated balance	918,896	7,050	(22,317)	(3,205)	900,425	749	27,692	1,916,210
Changes during the period:								
Dividends								(45,208)
Net income attributable to shareholders of the parent								146,626
Acquisition of treasury stock								(39,127)
Disposal of treasury stock								244
Cancellation of treasury stock								–
Changes in the scope of consolidation								4,182
Changes in interest of the parent related to transactions with non-controlling shareholders								(2)
Net changes in items other than shareholders' equity	(155,037)	(601)	(40,620)	(346)	(196,604)	(116)	(6,292)	(203,013)
Total changes during the period	(155,037)	(601)	(40,620)	(346)	(196,604)	(116)	(6,292)	(136,298)
Balance at the end of the period	763,859	6,449	(62,937)	(3,551)	703,820	632	21,399	1,779,911

Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	100,045	244,170	712,745	(2,902)	1,054,058
Changes during the period:					
Dividends			(51,632)		(51,632)
Net income attributable to shareholders of the parent			122,515		122,515
Acquisition of treasury stock				(36,328)	(36,328)
Disposal of treasury stock		(35)		387	352
Changes in the scope of consolidation			154		154
Changes in interest of the parent related to transactions with non-controlling shareholders		(5)			(5)
Others			5,139		5,139
Net changes in items other than shareholders' equity					
Total changes during the period	–	(40)	76,177	(35,940)	40,196
Balance at the end of the period	100,045	244,129	788,922	(38,842)	1,094,254

	Accumulated other comprehensive income					Stock acquisition rights	Non-controlling interests	Total net assets
	Unrealized gains and losses on securities available for sale	Deferred gains and losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the period	763,859	6,449	(62,937)	(3,551)	703,820	632	21,399	1,779,911
Changes during the period:								
Dividends								(51,632)
Net income attributable to shareholders of the parent								122,515
Acquisition of treasury stock								(36,328)
Disposal of treasury stock								352
Changes in the scope of consolidation								154
Changes in interest of the parent related to transactions with non-controlling shareholders								(5)
Others								5,139
Net changes in items other than shareholders' equity	(185,597)	(856)	(20,276)	5,654	(201,076)	(81)	(6,365)	(207,523)
Total changes during the period	(185,597)	(856)	(20,276)	5,654	(201,076)	(81)	(6,365)	(167,327)
Balance at the end of the period	578,261	5,593	(83,214)	2,103	502,743	551	15,033	1,612,584

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)	Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)
Cash flows from operating activities:		
Net income before income taxes	202,029	177,191
Depreciation	47,305	41,401
Impairment losses	1,735	2,672
Amortization of goodwill	24,057	23,961
Increase (decrease) in reserve for outstanding losses and claims	11,962	2,558
Increase (decrease) in underwriting reserves	85,494	201,474
Increase (decrease) in allowance for possible credit losses	255	261
Increase (decrease) in net defined benefit liability	1,193	(1,631)
Increase (decrease) in reserve for retirement benefits to directors	(9)	(0)
Increase (decrease) in reserve for bonus payments	(1,071)	2,895
Increase (decrease) in reserve for bonus payments to directors	(29)	440
Increase (decrease) in reserve for stocks payments	410	426
Increase (decrease) in reserve for price fluctuation	4,626	4,664
Interest and dividend income	(188,722)	(204,135)
Losses (gains) on investment in securities	(87,971)	(61,068)
Interest expenses	13,902	14,166
Foreign exchange losses (gains)	(1,455)	(7,118)
Losses (gains) related to tangible fixed assets	(10,490)	2,613
Losses (gains) related to loans	0	1
Investment losses (gains) on the equity method	593	8,952
Decrease (increase) in other assets (other than investing and financing activities)	(295,450)	(57,010)
Increase (decrease) in other liabilities (other than investing and financing activities)	82,050	41,687
Others	12,892	27,453
Subtotal	(96,688)	221,858
Interest and dividend received	192,623	204,778
Interest paid	(18,921)	(14,553)
Income taxes refund (paid)	1,758	(55,637)
Cash flows from operating activities	78,772	356,446

(Millions of yen)

	Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)	Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)
Cash flows from investing activities:		
Net decrease (increase) in deposits	54	21,626
Purchase of monetary receivables bought	(6,889)	(9,861)
Proceeds from sales and redemption of monetary receivables bought	1,889	1,682
Increase in money trusts	(1)	(3,181)
Decrease in money trusts	62,125	6,106
Purchase of securities	(1,442,144)	(1,649,179)
Proceeds from sales and redemption of securities	1,462,201	1,490,653
Loans made	(224,725)	(189,970)
Collection of loans	180,906	198,945
Net increase (decrease) in receivables under securities borrowing transactions and payables under securities lending transactions	1,966	44,420
Others	45,248	24,096
Total of investment transactions	80,630	(64,662)
Total of operating activities and investment transactions as above	159,402	291,784
Acquisition of tangible fixed assets	(28,149)	(27,043)
Proceeds from sales of tangible fixed assets	21,154	4,464
Acquisition of stocks of subsidiaries resulting in changes in the scope of consolidation	(12,731)	—
Payments for sales of stocks of subsidiaries resulting in changes in the scope of consolidation	—	(928)
Others	(47,421)	(51,949)
Cash flows from investing activities	13,482	(140,117)
Cash flows from financing activities:		
Proceeds from borrowings	90	4
Repayments of borrowings	(34,758)	(32,285)
Redemption of corporate bonds	—	(5,722)
Net increase (decrease) in payables under securities lending transactions	106,571	(89,383)
Proceeds from sales of treasury stock	128	116
Acquisition of treasury stock	(39,127)	(36,328)
Dividends paid	(45,159)	(51,571)
Dividends paid to non-controlling shareholders	(1,695)	(7,184)
Others	(5,177)	(8,250)
Cash flows from financing activities	(19,127)	(230,605)
Effect of exchange rate changes on cash and cash equivalents	(18,231)	(12,609)
Increase (decrease) in cash and cash equivalents	54,895	(26,886)
Cash and cash equivalents at the beginning of the period	931,033	991,295
Increase in cash and cash equivalents resulting from newly consolidated subsidiaries	5,366	3,345
Cash and cash equivalents at the end of the period	991,295	967,753

(5) Notes on Going-Concern Assumption

None.

(6) Changes in Accounting Policies, Changes in Accounting Estimations, and Retrospective Restatements

(Changes in accounting policies)

Sompo International Holdings Ltd., an overseas consolidated subsidiary, has adopted International Financial Reporting Standards (hereinafter “IFRS”) for its consolidated financial statements from the beginning of the fiscal year 2019, in place of US GAAP previously applied. This decision was made considering the overall circumstances, including the situation of the application of accounting standards at other overseas consolidated subsidiaries and the fact that SOMPO HOLDINGS is contemplating voluntary adoption of IFRS.

As the effect of this change was immaterial, IFRS have not been adopted retrospectively.

Changes in retained earnings due to this change in accounting policies, which are the amounts transferred to retained earnings from foreign currency translation adjustments, are shown in "Others" in the Consolidated Statement of Changes in Net Assets.

(7) Notes to the Consolidated Financial Statements

(Segment information)

[Segment information]

1. Summary of reportable segments

The reportable segment of Sompo Holdings, Inc. (“the Company”) is the component of SOMPO HOLDINGS, for which discrete financial information is available and whose operating results are periodically reviewed by the board of directors to make decisions about resources to be allocated to the segment and assess its performance.
The respective group companies of the Company determine their comprehensive strategies for their operations as independent management unit and roll out their operations under the group-wide management policy of the Company.
Therefore, the Company is composed of business segments, which consist of the respective group companies as minimum component. “Domestic P&C insurance business,” “Overseas insurance business,” “Domestic life insurance business” and “Nursing care and healthcare business” are determined as the reportable segments. The Company, asset management business, risk management business and defined-contribution pension business, etc. that are not covered by the reportable segments are included in “Others.”
“Domestic P&C insurance business” consists mainly of underwriting of property and casualty insurance, investment, and related activities in Japan. “Overseas insurance business” consists mainly of underwriting of property and casualty insurance and investment activities overseas, “Domestic life insurance business” consists mainly of underwriting of life insurance and investment activities in Japan, “Nursing care and healthcare business” consists mainly of providing nursing care service and healthcare service.

2. Calculation methods for the amount of sales, income or loss, assets and other items by each reportable segment

The accounting methods of reportable business segments are those used in the preparation of the consolidated financial statements.
Income or loss attributable to the reportable segments is the amounts based on net income attributable to shareholders of the parent in the consolidated statement of income.
Income from internal transactions among segments is based on the price of transactions among third parties and others.

As described in “(6) Changes in Accounting Policies, Changes in Accounting Estimations, and Retrospective Restatements, Sompo International Holdings Ltd., an overseas consolidated subsidiary, has adopted International Financial Reporting Standards (hereinafter “IFRS”) for its consolidated financial statements from the beginning of the fiscal year 2019, in place of US GAAP previously applied. This decision was made considering the overall circumstances, including the situation of the application of accounting standards at other overseas consolidated subsidiaries and the fact that SOMPO HOLDINGS is contemplating voluntary adoption of IFRS. The effect of this change on segment income (loss) for the fiscal year ended March 31, 2020 was immaterial.

3. Information related to the amount of sales, income or loss, assets and other items by each reportable segment

Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)

(Millions of yen)

	Reportable segments					Others (Note 2)	Total	Adjustments (Note 3)	Amount on the consolidated financial statements (Note 4)
	Domestic P&C insurance business	Overseas insurance business	Domestic life insurance business	Nursing care and healthcare business	Total				
Sales (Note 1):									
Sales from transactions with external customers	2,198,702	523,972	345,086	127,405	3,195,167	13,250	3,208,418	434,622	3,643,040
Sales from internal transactions or transfers among segments	—	—	—	110	110	15,985	16,095	(16,095)	—
Total	2,198,702	523,972	345,086	127,515	3,195,277	29,236	3,224,514	418,526	3,643,040
Segment income (loss)	139,821	(6,033)	14,757	(201)	148,343	(1,717)	146,626	—	146,626
Segment assets	6,539,595	2,229,930	3,006,265	177,267	11,953,060	65,194	12,018,254	—	12,018,254
Other items:									
Depreciation	14,566	26,659	456	5,243	46,924	380	47,305	—	47,305
Amortization of goodwill	100	18,539	609	4,807	24,057	—	24,057	—	24,057
Interest and dividend income	111,349	33,515	44,544	141	189,551	0	189,551	(829)	188,722
Interest paid	7,158	3,912	80	2,754	13,904	1	13,906	(3)	13,902
Investment gains (losses) on the equity method	79	(672)	—	—	(593)	—	(593)	—	(593)
Extraordinary gains (Note 5)	12,875	12	—	0	12,888	—	12,888	(20)	12,868
Extraordinary losses (Note 6)	6,556	1,448	1,694	117	9,817	1	9,819	(20)	9,799
Impairment losses	703	1,032	—	—	1,735	—	1,735	—	1,735
Income tax expenses	51,505	(445)	6,193	1,322	58,576	1,080	59,657	—	59,657
Investment in affiliates accounted for under the equity method	1,432	6,153	—	—	7,586	—	7,586	—	7,586
Increase in tangible and intangible fixed assets	62,386	23,087	332	6,313	92,120	676	92,796	—	92,796

Notes)

1. Sales amounts represent the following:
   - Domestic P&C insurance business: Net premiums written
   - Overseas insurance business: Net premiums written and life insurance premiums written
   - Domestic life insurance business: Life insurance premiums written
   - Nursing care and healthcare business: Ordinary income
   - “Others” and amount on the consolidated financial statements: Ordinary income
2. “Others” is business segments which are not included in reportable segments. It includes the Company (insurance holding company), asset management business, risk management business and defined-contribution pension business.
3. Adjustments of sales are as follows.
   - Ordinary income related to domestic P&C insurance business, overseas insurance business and domestic life insurance business excluding net premiums written and life insurance premiums written: 434,622 million yen
   - Elimination of internal transactions among segments: (16,095) million yen
4. Segment income (loss) is adjusted to net income attributable to shareholders of the parent in the consolidated statement of income.
5. Extraordinary gains for domestic P&C insurance business include 12,855 million yen of gains on disposal of fixed assets.
6. Extraordinary losses for domestic P&C insurance business include 3,994 million yen of provision for reserve for price fluctuation. Also, extraordinary losses for domestic life insurance business include 1,009 million yen of the special premium to be paid out in conjunction with Special Measures for Employees’ Career Change Support.

Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)

(Millions of yen)

	Reportable segments					Others (Note 2)	Total	Adjustments (Note 3)	Amount on the consolidated financial statements (Note 4)
	Domestic P&C insurance business	Overseas insurance business	Domestic life insurance business	Nursing care and healthcare business	Total				
Sales (Note 1):									
Sales from transactions with external customers	2,235,825	597,397	348,324	134,289	3,315,836	13,179	3,329,015	431,350	3,760,366
Sales from internal transactions or transfers among segments	—	—	—	184	184	12,495	12,679	(12,679)	—
Total	2,235,825	597,397	348,324	134,473	3,316,020	25,674	3,341,695	418,671	3,760,366
Segment income (loss)	95,445	21,599	15,957	1,318	134,321	(11,805)	122,515	—	122,515
Segment assets	6,202,067	2,315,725	3,217,267	173,721	11,908,782	69,054	11,977,836	—	11,977,836
Other items:									
Depreciation	15,042	20,212	532	5,257	41,045	355	41,401	—	41,401
Amortization of goodwill	76	18,468	609	4,807	23,961	—	23,961	—	23,961
Interest and dividend income	114,400	44,563	45,708	129	204,802	110	204,912	(777)	204,135
Interest paid	7,132	4,449	76	2,515	14,174	7	14,181	(15)	14,166
Investment losses on the equity method	(13)	(2,214)	—	—	(2,227)	(6,724)	(8,952)	—	(8,952)
Extraordinary gains (Note 5)	1,824	45	3	—	1,873	—	1,873	—	1,873
Extraordinary losses (Note 6)	13,929	606	2,319	219	17,074	59	17,133	—	17,133
Impairment losses	2,124	547	—	—	2,672	—	2,672	—	2,672
Income tax expenses	37,180	6,257	6,672	3,496	53,605	398	54,004	—	54,004
Investment in affiliates accounted for under the equity method	1,411	7,329	—	—	8,741	10,650	19,391	—	19,391
Increase in tangible and intangible fixed assets	64,813	12,476	912	6,911	85,113	541	85,655	—	85,655

Notes)

1. Sales amounts represent the following:
   - Domestic P&C insurance business: Net premiums written
   - Overseas insurance business: Net premiums written and life insurance premiums written
   - Domestic life insurance business: Life insurance premiums written
   - Nursing care and healthcare business: Ordinary income
   - “Others” and amount on the consolidated financial statements: Ordinary income
2. “Others” is business segments which are not included in reportable segments. It includes the Company (insurance holding company), asset management business, risk management business and defined-contribution pension business.
3. Adjustments of sales are as follows.
   - Ordinary income related to domestic P&C insurance business, overseas insurance business and domestic life insurance business excluding net premiums written and life insurance premiums written: 431,350 million yen
   - Elimination of internal transactions among segments: (12,679) million yen
4. Segment income (loss) is adjusted to net income attributable to shareholders of the parent in the consolidated statement of income.
5. Extraordinary gains for domestic P&C insurance business are 1,824 million yen of gains on disposal of fixed assets.
6. Extraordinary losses for domestic P&C insurance business include 4,212 million yen of losses on disposal of fixed assets, 3,941 million yen of provision for reserve for price fluctuation and 3,651 million yen of cost to change company name.
   Also, extraordinary losses for domestic life insurance business include 1,558 million yen of cost to change company name.

[Related information]

Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)

1. Information by products and services

(Millions of yen)

	Fire and allied insurance	Marine insurance	Personal accident insurance	Voluntary automobile insurance	Compulsory automobile liability insurance	Others	Total
Net premiums written	375,171	81,730	180,270	1,199,516	278,788	602,677	2,718,155

(Millions of yen)

	Individual insurance	Individual annuities	Group insurance	Group annuities	Total
Life insurance premiums written	329,504	5,846	14,256	—	349,606

2. Information by geographic area

(1) Sales

(Millions of yen)

Japan	United States	Others	Total
2,626,307	232,393	336,466	3,195,167

Notes)

1. Sales represent amounts of net premiums written, life insurance premiums written and ordinary income of nursing care and healthcare business.
2. Geographic area is classified into country or region in line with the classification used for management purpose mainly based on locations of customers.

(2) Tangible fixed assets

(Millions of yen)

Japan	Overseas	Total
340,020	15,123	355,144

3. Information by major customers

None.

Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)

1. Information by products and services

(Millions of yen)

	Fire and allied insurance	Marine insurance	Personal accident insurance	Voluntary automobile insurance	Compulsory automobile liability insurance	Others	Total
Net premiums written	406,295	87,241	173,875	1,221,171	281,141	655,757	2,825,482

(Millions of yen)

	Individual insurance	Individual annuities	Group insurance	Group annuities	Total
Life insurance premiums written	334,715	5,330	16,018	—	356,064

2. Information by geographic area

(1) Sales

(Millions of yen)

Japan	United States	Others	Total
2,677,291	289,948	348,596	3,315,836

Notes)

1. Sales represent amounts of net premiums written, life insurance premiums written and ordinary income of nursing care and healthcare business.
2. Geographic area is classified into country or region in line with the classification used for management purpose mainly based on locations of customers.

(2) Tangible fixed assets

(Millions of yen)

Japan	Overseas	Total
336,842	37,551	374,393

3. Information by major customers

None.

[Information related to impairment losses on fixed assets by reportable segments]

Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)

(Millions of yen)

	Reportable segments					Others	Unallocated amounts and eliminations	Total
	Domestic P&C insurance business	Overseas insurance business	Domestic life insurance business	Nursing care and healthcare business	Total			
Impairment losses	703	1,032	—	—	1,735	—	—	1,735

Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)

(Millions of yen)

	Reportable segments					Others	Unallocated amounts and eliminations	Total
	Domestic P&C insurance business	Overseas insurance business	Domestic life insurance business	Nursing care and healthcare business	Total			
Impairment losses	2,124	547	—	—	2,672	—	—	2,672

[Information related to amortization of goodwill and balance of goodwill by reportable segments]

Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)

(Millions of yen)

	Reportable segments					Others	Unallocated amounts and eliminations	Total
	Domestic P&C insurance business	Overseas insurance business	Domestic life insurance business	Nursing care and healthcare business	Total			
Amortization for the fiscal year ended March 31, 2019	100	18,539	609	4,807	24,057	—	—	24,057
Balance as of March 31, 2019	140	156,545	1,218	40,790	198,694	—	—	198,694

Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)

(Millions of yen)

	Reportable segments					Others	Unallocated amounts and eliminations	Total
	Domestic P&C insurance business	Overseas insurance business	Domestic life insurance business	Nursing care and healthcare business	Total			
Amortization for the fiscal year ended March 31, 2020	76	18,468	609	4,807	23,961	—	—	23,961
Balance as of March 31, 2020	49	136,024	609	35,982	172,665	—	—	172,665

[Information related to gains on negative goodwill by reportable segments]

None.

(Securities)

1. Trading Securities

(Millions of yen)

	As of March 31, 2019		As of March 31, 2020	
	Carrying amount	Unrealized gains and losses recognized in statement of income	Carrying amount	Unrealized gains and losses recognized in statement of income
Trading securities	198,084	(7,136)	32,526	(2,394)

2. Bonds held to maturity

(Millions of yen)

		As of March 31, 2019			As of March 31, 2020		
		Carrying amount	Fair value	Unrealized gains and losses	Carrying amount	Fair value	Unrealized gains and losses
Securities whose fair value exceeds their carrying amount	Domestic bonds	1,184,779	1,497,251	312,472	1,179,676	1,475,011	295,334
	Foreign securities	3,907	3,975	67	13,290	13,619	328
	Subtotal	1,188,687	1,501,226	312,539	1,192,967	1,488,630	295,663
Securities whose fair value does not exceed their carrying amount	Domestic bonds	3,216	3,139	(76)	5,981	5,845	(136)
	Foreign securities	5,855	5,742	(112)	1,599	1,593	(6)
	Subtotal	9,071	8,882	(189)	7,581	7,438	(142)
Total		1,197,758	1,510,109	312,350	1,200,548	1,496,069	295,520

3. Policy reserve matching bonds

(Millions of yen)

		As of March 31, 2019			As of March 31, 2020		
		Carrying amount	Fair value	Unrealized gains and losses	Carrying amount	Fair value	Unrealized gains and losses
Securities whose fair value exceeds their carrying amount	Domestic bonds	361,192	401,082	39,889	375,977	417,368	41,390
Securities whose fair value does not exceed their carrying amount	Domestic bonds	8,888	8,844	(43)	84,707	83,465	(1,241)
Total		370,080	409,926	39,846	460,685	500,834	40,148

4. Securities available for sale

(Millions of yen)

		As of March 31, 2019			As of March 31, 2020		
		Carrying amount	Cost	Unrealized gains and losses	Carrying amount	Cost	Unrealized gains and losses
Securities whose carrying amount exceeds their cost	Domestic bonds	2,130,397	1,932,041	198,355	1,889,044	1,722,025	167,019
	Domestic stocks	1,217,908	461,936	755,971	869,590	329,234	540,356
	Foreign securities	1,590,323	1,462,884	127,438	1,919,916	1,783,993	135,923
	Others	63,892	58,153	5,739	117,230	108,735	8,494
	Subtotal	5,002,520	3,915,016	1,087,504	4,795,782	3,943,990	851,792
Securities whose carrying amount does not exceed their cost	Domestic bonds	44,163	44,858	(694)	340,146	344,479	(4,333)
	Domestic stocks	48,817	55,812	(6,994)	117,179	132,825	(15,645)
	Foreign securities	1,077,106	1,103,626	(26,520)	953,928	988,441	(34,513)
	Others	11,919	12,012	(92)	45,695	48,304	(2,609)
	Subtotal	1,182,007	1,216,309	(34,301)	1,456,949	1,514,051	(57,101)
Total		6,184,528	5,131,325	1,053,202	6,252,732	5,458,041	794,690

Notes)

As of March 31, 2019	As of March 31, 2020
1. Securities available for sale which are considered extremely difficult to figure out their fair value are not included in the above table.	1. Same as on the left
2. Certificate of deposit classified as cash and deposits and beneficial interests in the loan trusts, etc. classified as monetary receivables bought in the consolidated balance sheet are included in “Others” above.	2. Same as on the left

5. Securities available for sale sold

(Millions of yen)

	Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)			Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)		
	Proceeds from sales	Gains on sales	Losses on sales	Proceeds from sales	Gains on sales	Losses on sales
Domestic bonds	106,408	7,311	212	122,655	8,993	78
Domestic stocks	158,313	90,954	719	100,154	60,955	1,059
Foreign securities	746,172	11,476	10,002	1,148,912	17,695	5,245
Others	999	1,108	46	547	1,038	41
Total	1,011,893	110,850	10,981	1,372,270	88,682	6,426

6. Securities for which impairment losses are recognized

Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)	Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)
For the fiscal year ended March 31, 2019, impairment losses on securities available for sale (excluding securities available for sale which are considered extremely difficult to figure out their fair value) amount to 9,176 million yen (domestic stocks: 6,732 million yen, foreign securities: 2,444 million yen), and impairment losses on securities available for sale which are considered extremely difficult to figure out their fair value amount to 3,616 million yen (domestic stocks: 1,050 million yen, foreign securities: 2,565 million yen, others: 0 million yen). Basically, impairment losses on securities are recognized if fair value at the end of the fiscal year declines by 30% or more from their cost.	For the fiscal year ended March 31, 2020, impairment losses on securities available for sale (excluding securities available for sale which are considered extremely difficult to figure out their fair value) amount to 17,691 million yen (domestic stocks: 15,805 million yen, foreign securities: 1,885 million yen), and impairment losses on securities available for sale which are considered extremely difficult to figure out their fair value amount to 5,616 million yen (domestic stocks: 2,636 million yen, foreign securities: 2,979 million yen, others: 0 million yen). Basically, impairment losses on securities are recognized if fair value at the end of the fiscal year declines by 30% or more from their cost.

(Per share information)

	Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)	Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)
Net assets per share	4,720.07 yen	4,385.85 yen
Net income per share	392.26 yen	334.12 yen
Diluted net income per share	391.96 yen	333.89 yen

Notes)

1. Calculations of net income per share and diluted net income per share are based on the following figures.

(Millions of yen)

	Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)	Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)
Net income per share		
Net income attributable to shareholders of the parent	146,626	122,515
Amount not attributable to common stockholders	—	—
Net income attributable to shareholders of the parent to common stocks	146,626	122,515
Average number of common stocks outstanding	373,792 thousand shares	366,675 thousand shares
Diluted net income per share		
Adjustment of net income attributable to shareholders of the parent	—	—
Increase of common stocks:	282 thousand shares	247 thousand shares
Stock acquisition rights	282 thousand shares	247 thousand shares

2. Calculation of net assets per share is based on the following figures.

(Millions of yen)

	As of March 31, 2019	As of March 31, 2020
Total net assets	1,779,911	1,612,584
Amount to be deducted from total net assets:	22,032	15,585
Stock acquisition rights	632	551
Non-controlling interests	21,399	15,033
Net assets attributable to common stocks	1,757,879	1,596,998
Number of common stocks used for calculation of net assets per share	372,426 thousand shares	364,125 thousand shares

3. In the calculation of net income per share and diluted net income per share, the Company shares outstanding in “Board Benefit Trust (BBT)” which are recognized as treasury stock in shareholders’ equity are included in treasury stock deducted from the average number of shares outstanding. In addition, in the calculation of net assets per share, such shares are included in treasury stock deducted from the number of total shares outstanding.
   The average number of the treasury stock deducted above mentioned is 553 thousand for the fiscal year ended March 31, 2019 and is 786 thousand for the fiscal year ended March 31, 2020. The number of the treasury stock deducted above mentioned is 550 thousand as of March 31, 2019 and is 1,053 thousand as of March 31, 2020.

(Significant subsequent events)

Acquisition of treasury stock

The Company passed a resolution setting out details of the Company's stock buybacks to be conducted in accord with Article 156 of the Companies Act applied pursuant to Article 165, paragraph 3, of that Act at the Company's Board of Directors meeting on May 20, 2020. Details of the resolution are as follows.

(1) Reason for stock buybacks

While maintaining financial soundness and improving capital efficiency by investing on growing fields, etc., the Company has a basic policy of paying dividends, with the option of stock buybacks depending on capital conditions. In accordance with this policy, the Company will conduct stock buybacks as a part of the shareholder return for the financial results of fiscal year ended March 31, 2020.

(2) Details of stock buybacks

(a)	Class of shares	Common stock of the Company
(b)	Potential total number	15,000,000 shares (upper limit)
(c)	Total price	35,300,000,000 yen (upper limit)
(d)	Period	May 29, 2020 — November 18, 2020

Other

(1) Summary of Results of Operations (Consolidated)

(Millions of yen)

	Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)	Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)	Increase (Decrease)	Rate of change
				%
Ordinary income and expenses:				
Underwriting income:	3,220,047	3,334,680	114,632	3.6
Net premiums written	2,718,155	2,825,482	107,327	3.9
Deposits of premiums by policyholders	111,132	113,703	2,571	2.3
Life insurance premiums written	349,606	356,064	6,458	1.8
Underwriting expenses:	2,737,949	2,839,225	101,276	3.7
Net claims paid	1,694,889	1,645,340	(49,548)	(2.9)
Loss adjustment expenses	135,759	130,144	(5,615)	(4.1)
Net commissions and brokerage fees	504,932	531,419	26,487	5.2
Maturity refunds to policyholders	205,423	212,156	6,733	3.3
Life insurance claims paid and other payments	88,471	94,610	6,138	6.9
Provision for reserve for outstanding losses and claims	13,119	8,394	(4,724)	(36.0)
Provision for underwriting reserves	89,730	212,208	122,478	136.5
Investment income:	273,249	266,713	(6,536)	(2.4)
Interest and dividend income	188,722	204,135	15,412	8.2
Gains on sales of securities	110,913	90,376	(20,536)	(18.5)
Investment expenses:	35,798	48,166	12,368	34.5
Losses on sales of securities	10,984	6,562	(4,421)	(40.3)
Impairment losses on securities	13,425	23,307	9,882	73.6
Operating, general and administrative expenses	540,542	539,172	(1,369)	(0.3)
Other ordinary income and expenses	19,951	17,622	(2,328)	(11.7)
Investment gains on the equity method	(593)	(8,952)	(8,359)	―
Ordinary profit	198,959	192,451	(6,507)	(3.3)
Extraordinary gains and losses:				
Extraordinary gains	12,868	1,873	(10,995)	(85.4)
Extraordinary losses	9,799	17,133	7,334	74.9
Extraordinary gains and losses	3,069	(15,260)	(18,330)	(597.1)
Net income before income taxes	202,029	177,191	(24,838)	(12.3)
Income taxes	43,276	71,733	28,457	65.8
Deferred income taxes	16,380	(17,729)	(34,110)	(208.2)
Total income taxes	59,657	54,004	(5,652)	(9.5)
Net income	142,372	123,187	(19,185)	(13.5)
Net income attributable to non-controlling shareholders (loss)	(4,253)	671	4,925	―
Net income attributable to shareholders of the parent	146,626	122,515	(24,110)	(16.4)

(2) Premiums Written and Claims Paid by Business Lines (Consolidated)

Direct premiums written (including deposits of premiums by policyholders)

(Millions of yen)

Business line	Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)			Fiscal year ended March 31, 2020 (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	531,642	17.0	(1.2)	585,284	18.1	10.1
Marine insurance	88,929	2.9	(14.8)	94,251	2.9	6.0
Personal accident insurance	271,240	8.7	(5.9)	276,844	8.5	2.1
Voluntary automobile insurance	1,207,020	38.7	(3.5)	1,233,940	38.1	2.2
Compulsory automobile liability insurance	297,246	9.5	(0.1)	290,712	9.0	(2.2)
Others	722,477	23.2	5.1	761,156	23.5	5.4
Total	3,118,558	100.0	(1.5)	3,242,190	100.0	4.0
Deposits of premiums by policyholders	111,132	3.6	(7.7)	113,703	3.5	2.3

Note) The above figures represent amounts after offsetting internal transactions among segments.

Net premiums written

(Millions of yen)

Business line	Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)			Fiscal year ended March 31, 2020 (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	375,171	13.8	(17.4)	406,295	14.4	8.3
Marine insurance	81,730	3.0	(22.4)	87,241	3.1	6.7
Personal accident insurance	180,270	6.6	(6.5)	173,875	6.2	(3.5)
Voluntary automobile insurance	1,199,516	44.1	(3.4)	1,221,171	43.2	1.8
Compulsory automobile liability insurance	278,788	10.3	(4.5)	281,141	10.0	0.8
Others	602,677	22.2	5.9	655,757	23.2	8.8
Total	2,718,155	100.0	(4.8)	2,825,482	100.0	3.9

Note) The above figures represent amounts after offsetting internal transactions among segments.

Net claims paid

(Millions of yen)

Business line	Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)			Fiscal year ended March 31, 2020 (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	345,793	20.4	2.5	305,562	18.6	(11.6)
Marine insurance	53,424	3.2	(15.2)	49,624	3.0	(7.1)
Personal accident insurance	95,396	5.6	(5.5)	88,253	5.4	(7.5)
Voluntary automobile insurance	671,375	39.6	(1.1)	661,398	40.2	(1.5)
Compulsory automobile liability insurance	206,781	12.2	(4.0)	192,508	11.7	(6.9)
Others	322,119	19.0	6.6	347,993	21.2	8.0
Total	1,694,889	100.0	(0.2)	1,645,340	100.0	(2.9)

Note) The above figures represent amounts after offsetting internal transactions among segments.