SOMPO HOLDINGS

UNOFFICIAL TRANSLATION

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Summary of Consolidated Financial Results for the nine months ended December 31, 2024

Supplementary Information

February 14, 2025

Sompo Holdings, Inc.

（ Securities Code : 8630 ）

Summary of Consolidated Financial Results for the nine months ended December 31, 2024
Contents of Supplementary Information

Overview of Consolidated Financial Results for the nine months ended December 31, 2024

Sompo Holdings, Inc.
Overview of Consolidated Financial Results for the nine months ended December 31, 2024 …… 2

Overview of Business Results of Principal Consolidated Subsidiaries

Sompo Japan Insurance Inc. (Non-consolidated) …… 3
Quarterly Balance Sheet …… 3
Quarterly Statement of Income …… 4
Premiums Written and Claims Paid by Business Lines …… 5
Non-consolidated Solvency Margin Ratio …… 6

Sompo Direct Insurance Inc. (Non-consolidated) …… 7
Quarterly Balance Sheet …… 7
Quarterly Statement of Income …… 8
Non-consolidated Solvency Margin Ratio …… 9

Sompo Himawari Life Insurance, Inc. (Non-consolidated) …… 10
Quarterly Balance Sheet …… 10
Quarterly Statement of Income …… 11
Major Business Results
(Total amount of policies in force, Total amount of new policies, Annualized premiums) …… 12
Non-consolidated Solvency Margin Ratio …… 13

Supplementary Explanation …… 14
Calculation of ratios, etc. …… 14
Non-consolidated solvency margin ratio …… 14
Adjusted consolidated profit …… 15

Overview of Consolidated Financial Results for the nine months ended December 31, 2024

Sompo Holdings, Inc.

Overview of Consolidated Financial Results for the nine months ended December 31, 2024

(Billions of yen)

		Nine months ended December 31, 2023 (April 1 to December 31, 2023)	Nine months ended December 31, 2024 (April 1 to December 31, 2024)	Increase (Decrease)	Rate of change
					%
Ordinary income:	(1)	3,848	4,151	302	7.9
Net premiums written:	(2)	2,956	3,003	46	1.6
Sompo Japan Insurance Inc.	(3)	1,646	1,681	34	2.1
Overseas consolidated subsidiaries	(4)	1,253	1,264	10	0.8
Life insurance premiums written	(5)	231	232	1	0.5
Ordinary profit	(6)	432	508	76	17.7
Net income attributable to shareholders of the parent:	(7)	323	381	58	18.2
Sompo Japan Insurance Inc.	(8)	151	225	73	48.7
Overseas consolidated subsidiaries	(9)	133	197	63	47.5
Sompo Himawari Life Insurance, Inc.	(10)	11	14	3	27.4
Nursing Care business consolidated subsidiaries	(11)	5	5	(0)	(0.6)
Others and consolidation adjustment, etc.	(12)	21	(60)	(81)	

(Reference) SOMPO HOLDINGS' numerical management targets

(Billions of yen)

	Nine months ended December 31, 2023 (April 1 to December 31, 2023)	Nine months ended December 31, 2024 (April 1 to December 31, 2024)	Increase (Decrease)	Rate of change
				%
Adjusted consolidated profit:	242	235	(6)	(2.9)
Sompo Japan Insurance Inc.	76	47	(28)	(37.1)
Overseas consolidated subsidiaries	128	151	22	17.5

Overview of Business Results of Principal Consolidated Subsidiaries

Sompo Japan Insurance Inc. (Non-consolidated)

Quarterly Balance Sheet

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024	Increase (Decrease)
	Amount	Amount	
Assets:			
Cash and deposits	399,666	223,969	(175,697)
Call loans	—	90,000	90,000
Receivables under resale agreements	14,999	64,976	49,977
Monetary receivables bought	18,927	18,456	(471)
Money trusts	4,712	4,831	119
Securities	5,801,000	5,483,118	(317,881)
Loans	408,708	394,194	(14,514)
Tangible fixed assets	236,792	232,984	(3,807)
Intangible fixed assets	242,341	240,052	(2,288)
Other assets	544,179	461,583	(82,595)
Prepaid pension cost	—	198	198
Allowance for possible credit losses	(2,598)	(2,749)	(151)
Allowance for possible investment losses	(4,372)	(3,879)	492
Total assets	7,664,357	7,207,737	(456,619)
Liabilities:			
Underwriting funds:	4,403,431	4,381,527	(21,904)
Reserve for outstanding losses and claims	992,003	1,043,504	51,501
Underwriting reserves	3,411,427	3,338,022	(73,405)
Corporate bonds	527,000	527,000	—
Other liabilities	542,958	269,528	(273,430)
Reserve for retirement benefits	69,895	70,560	664
Reserve for bonus payments	14,389	3,775	(10,613)
Reserve for bonus payments to directors	52	6	(46)
Reserves under the special laws:	104,368	107,771	3,403
Reserve for price fluctuation	104,368	107,771	3,403
Deferred tax liabilities	107,147	34,176	(72,970)
Total liabilities	5,769,243	5,394,346	(374,896)
Net assets:			
Shareholders' equity:			
Common stock	70,000	70,000	—
Capital surplus	70,000	70,000	—
Retained earnings	595,325	704,506	109,180
Total shareholders' equity	735,325	844,506	109,180
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	1,158,092	967,811	(190,280)
Deferred gains and losses on hedges	1,696	1,073	(623)
Total valuation and translation adjustments	1,159,789	968,885	(190,903)
Total net assets	1,895,114	1,813,391	(81,723)
Total liabilities and net assets	7,664,357	7,207,737	(456,619)

Sompo Japan Insurance Inc. (Non-consolidated)

Quarterly Statement of Income

(Millions of yen)

	Nine months ended December 31, 2023 (April 1 to December 31, 2023)	Nine months ended December 31, 2024 (April 1 to December 31, 2024)	Increase (Decrease)	Rate of change
	Amount	Amount		
				%
Ordinary income:	2,050,674	2,215,586	164,912	8.0
Underwriting income:	1,889,821	1,828,360	(61,460)	(3.3)
Net premiums written	1,646,833	1,681,604	34,771	2.1
Deposits of premiums by policyholders	50,101	52,622	2,520	5.0
Interest and dividend income on deposits of premiums, etc.	20,958	20,684	(273)	(1.3)
Reversal of underwriting reserves	170,318	73,405	(96,913)	(56.9)
Investment income:	153,408	379,961	226,553	147.7
Interest and dividend income	99,026	168,601	69,574	70.3
Investment gains on money trusts	5,731	152	(5,578)	(97.3)
Gains on sales of securities	53,160	224,010	170,849	321.4
Transfer of interest and dividend income on deposits of premiums, etc.	(20,958)	(20,684)	273	—
Other ordinary income	7,444	7,263	(180)	(2.4)
Ordinary expenses:	1,862,321	1,933,473	71,151	3.8
Underwriting expenses:	1,576,994	1,607,302	30,307	1.9
Net claims paid	1,014,358	1,014,255	(103)	(0.0)
Loss adjustment expenses	86,588	92,637	6,048	7.0
Net commissions and brokerage fees	323,291	329,847	6,555	2.0
Maturity refunds to policyholders	119,945	117,812	(2,133)	(1.8)
Provision for reserve for outstanding losses and claims	31,870	51,501	19,630	61.6
Investment expenses:	35,729	57,228	21,499	60.2
Losses on sales of securities	7,545	25,331	17,786	235.7
Impairment losses on securities	1,586	1,562	(23)	(1.5)
Operating, general and administrative expenses	241,927	258,545	16,617	6.9
Other ordinary expenses:	7,669	10,395	2,726	35.6
Interest paid	4,896	4,896	0	0.0
Ordinary profit	188,352	282,113	93,760	49.8
Extraordinary gains:	854	600	(254)	(29.7)
Gains on disposal of fixed assets	854	600	(254)	(29.7)
Extraordinary losses:	3,871	3,998	127	3.3
Losses on disposal of fixed assets	483	595	111	23.1
Provision for reserves under the special laws:	3,387	3,403	15	0.5
Provision for reserve for price fluctuation	3,387	3,403	15	0.5
Net income before income taxes	185,336	278,715	93,379	50.4
Income taxes and deferred income taxes	33,731	53,234	19,503	57.8
Net income	151,605	225,480	73,875	48.7

Underwriting result:					
Net premiums written	(+)	1,646,833	1,681,604	34,771	2.1
Net claims paid	(−)	1,014,358	1,014,255	(103)	(0.0)
Loss adjustment expenses	(−)	86,588	92,637	6,048	7.0
Net operating expenses:	(−)	548,662	569,205	20,542	3.7
Net commissions and brokerage fees		323,291	329,847	6,555	2.0
Operating, general and administrative expenses related to underwriting		225,370	239,357	13,986	6.2
Underwriting result		(2,776)	5,506	8,283	—
Underwriting profit (loss)		84,601	(21,331)	(105,932)	(125.2)
Ratios:					
Net loss ratio	(%)	66.9	65.8	(1.0)	
Net operating expenses ratio	(%)	33.3	33.8	0.5	
Combined ratio	(%)	100.2	99.7	(0.5)	

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	Nine months ended December 31, 2023 (April 1 to December 31, 2023)			Nine months ended December 31, 2024 (April 1 to December 31, 2024)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
		%	%		%	%
Fire and allied insurance	393,493	21.2	(9.7)	424,413	22.3	7.9
Marine insurance	44,287	2.4	(1.2)	44,791	2.4	1.1
Personal accident insurance	124,694	6.7	0.3	124,078	6.5	(0.5)
Voluntary automobile insurance	812,337	43.7	(0.1)	819,053	43.0	0.8
Compulsory automobile liability insurance	147,057	7.9	(12.2)	144,757	7.6	(1.6)
Others	336,231	18.1	4.6	347,334	18.2	3.3
Total	1,858,101	100.0	(2.6)	1,904,430	100.0	2.5
Deposits of premiums by policyholders	50,101	——	(4.5)	52,622	——	5.0

Net premiums written

(Millions of yen)

Business line	Nine months ended December 31, 2023 (April 1 to December 31, 2023)			Nine months ended December 31, 2024 (April 1 to December 31, 2024)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
		%	%		%	%
Fire and allied insurance	258,644	15.7	(15.4)	287,250	17.1	11.1
Marine insurance	40,848	2.5	(3.4)	41,563	2.5	1.8
Personal accident insurance	118,834	7.2	(0.6)	118,592	7.1	(0.2)
Voluntary automobile insurance	808,965	49.1	(0.1)	816,470	48.6	0.9
Compulsory automobile liability insurance	148,759	9.0	(5.2)	137,705	8.2	(7.4)
Others	270,781	16.4	4.1	280,021	16.7	3.4
Total	1,646,833	100.0	(2.8)	1,681,604	100.0	2.1

Net claims paid

(Millions of yen)

Business line	Nine months ended December 31, 2023 (April 1 to December 31, 2023)			Nine months ended December 31, 2024 (April 1 to December 31, 2024)		
	Amount	Rate of change	Net loss ratio	Amount	Rate of change	Net loss ratio
		%	%		%	%
Fire and allied insurance	206,912	(4.4)	82.6	179,457	(13.3)	64.5
Marine insurance	21,235	32.3	54.5	22,430	5.6	56.2
Personal accident insurance	56,852	(15.9)	52.6	60,324	6.1	55.6
Voluntary automobile insurance	473,975	10.1	65.2	501,157	5.7	68.7
Compulsory automobile liability insurance	112,649	2.7	83.7	111,349	(1.2)	89.8
Others	142,732	2.8	55.7	139,535	(2.2)	52.9
Total	1,014,358	3.6	66.9	1,014,255	(0.0)	65.8

Sompo Japan Insurance Inc. (Non-consolidated)

Non-consolidated Solvency Margin Ratio

(Millions of yen)

		As of March 31, 2024	As of December 31, 2024
(A) Total Non-consolidated Solvency Margin		3,568,741	3,520,377
	Capital and funds, etc.	735,325	844,506
	Reserve for price fluctuation	104,368	107,771
	Contingency reserve	5,587	6,988
	Catastrophic loss reserve	521,086	546,402
	General allowance for possible credit losses	92	173
	Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	1,437,042	1,200,333
	Unrealized gains and losses on land	134,953	145,564
	Excess amount of reserve for maturity refunds	—	—
	Subordinated debt, etc.	427,000	427,000
	Excess amount of reserve for maturity refunds and subordinated debt, etc. which are excluded from total solvency margin	—	—
	Deductions	32,677	36,120
	Others	235,963	277,756
(B) Total Non-consolidated Risks $\sqrt{(R_1+R_2)^2+(R_3+R_4)^2}+R_5+R_6$		1,049,207	973,358
	Underwriting risk (R_1)	205,429	206,195
	Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R_2)	—	—
	Guaranteed interest rate risk (R_3)	11,101	10,659
	Investment risk (R_4)	792,254	724,523
	Business management risk (R_5)	24,093	22,572
	Major catastrophe risk (R_6)	195,907	187,234
(C) Non-consolidated Solvency Margin Ratio [(A) / {(B) × 1/2}] × 100		680.2 %	723.3 %

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). The amounts and figures as of December 31, 2024 are partly calculated by using the simplified method. For example, some bases for the major catastrophe risk calculation are deemed the same as the amounts and figures as of September 30, 2024.

Sompo Direct Insurance Inc. (Non-consolidated)

Quarterly Balance Sheet

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024	Increase (Decrease)
	Amount	Amount	
Assets:			
Cash and deposits	25,293	28,628	3,335
Securities	40,125	39,933	(192)
Tangible fixed assets	324	364	40
Intangible fixed assets	9,271	8,544	(726)
Other assets	10,500	11,090	589
Deferred tax assets	2,650	2,684	33
Allowance for possible credit losses	(2)	(2)	0
Total assets	88,162	91,242	3,080
Liabilities:			
Underwriting funds:	66,559	72,169	5,609
Reserve for outstanding losses and claims	27,523	29,377	1,854
Underwriting reserves	39,036	42,791	3,754
Other liabilities	6,098	2,530	(3,568)
Reserve for retirement benefits to directors	14	18	4
Reserve for bonus payments	417	201	(216)
Reserve for bonus payments to directors	20	13	(7)
Reserves under the special laws:	9	17	7
Reserve for price fluctuation	9	17	7
Total liabilities	73,120	74,949	1,829
Net assets:			
Shareholders' equity:			
Common stock	32,260	33,760	1,500
Capital surplus	40,692	42,192	1,499
Retained earnings	(57,358)	(58,988)	(1,629)
Total shareholders' equity	15,593	16,964	1,370
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	(552)	(671)	(119)
Total valuation and translation adjustments	(552)	(671)	(119)
Total net assets	15,041	16,292	1,251
Total liabilities and net assets	88,162	91,242	3,080

Sompo Direct Insurance Inc. (Non-consolidated)

Quarterly Statement of Income

(Millions of yen)

	Nine months ended December 31, 2023 (April 1 to December 31, 2023)	Nine months ended December 31, 2024 (April 1 to December 31, 2024)	Increase (Decrease)	Rate of change
	Amount	Amount		
				%
Ordinary income:	56,652	57,212	559	1.0
Underwriting income:	55,710	57,168	1,458	2.6
Net premiums written	55,668	57,120	1,452	2.6
Interest and dividend income on deposits of premiums, etc.	42	48	6	14.8
Investment income:	935	29	(905)	(96.8)
Interest and dividend income	185	77	(107)	(58.1)
Gains on sales of securities	791	0	(791)	(100.0)
Transfer of interest and dividend income on deposits of premiums, etc.	(42)	(48)	(6)	―
Other ordinary income	7	14	6	91.1
Ordinary expenses:	56,758	59,120	2,361	4.2
Underwriting expenses:	45,072	47,206	2,133	4.7
Net claims paid	34,194	36,309	2,114	6.2
Loss adjustment expenses	3,497	4,268	771	22.0
Net commissions and brokerage fees	1,064	1,013	(50)	(4.8)
Provision for reserve for outstanding losses and claims	1,341	1,854	513	38.3
Provision for underwriting reserves	4,969	3,754	(1,214)	(24.4)
Investment expenses:	757	0	(757)	(100.0)
Losses on sales of securities	757	―	(757)	(100.0)
Operating, general and administrative expenses	10,828	11,886	1,058	9.8
Other ordinary expenses:	99	26	(72)	(73.3)
Interest paid	3	4	0	18.0
Ordinary loss	(105)	(1,907)	(1,801)	―
Extraordinary losses:	10	265	255	2,551.9
Losses on disposal of fixed assets	1	19	17	1,049.9
Provision for reserves under the special laws:	8	7	(0)	(10.7)
Provision for reserve for price fluctuation	8	7	(0)	(10.7)
Other extraordinary losses	―	238	238	―
Net loss before income taxes	(115)	(2,173)	(2,057)	―
Income taxes and deferred income taxes	11	(543)	(555)	(4,676.4)
Net loss	(127)	(1,629)	(1,501)	―

Underwriting result:					
Net premiums written	(+)	55,668	57,120	1,452	2.6
Net claims paid	(−)	34,194	36,309	2,114	6.2
Loss adjustment expenses	(−)	3,497	4,268	771	22.0
Net operating expenses:	(−)	11,781	12,844	1,063	9.0
Net commissions and brokerage fees		1,064	1,013	(50)	(4.8)
Operating, general and administrative expenses related to underwriting		10,717	11,830	1,113	10.4
Underwriting result		6,194	3,697	(2,497)	(40.3)
Underwriting profit (loss)		(80)	(1,869)	(1,789)	―
Ratios:					
Net loss ratio	(%)	67.7	71.0	3.3	
Net operating expenses ratio	(%)	21.2	22.5	1.3	
Combined ratio	(%)	88.9	93.5	4.7	

Sompo Direct Insurance Inc. (Non-consolidated)

Non-consolidated Solvency Margin Ratio

(Millions of yen)

		As of March 31, 2024	As of December 31, 2024
(A) Total Non-consolidated Solvency Margin		19,009	19,778
	Capital and funds, etc.	15,593	16,964
	Reserve for price fluctuation	9	17
	Contingency reserve	11	11
	Catastrophic loss reserve	4,024	3,568
	General allowance for possible credit losses	1	0
	Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	(631)	(784)
	Unrealized gains and losses on land	–	–
	Excess amount of reserve for maturity refunds	–	–
	Subordinated debt, etc.	–	–
	Excess amount of reserve for maturity refunds and subordinated debt, etc. which are excluded from total solvency margin	–	–
	Deductions	–	–
	Others	–	–
(B) Total Non-consolidated Risks $\sqrt{(R_1+R_2)^2+(R_3+R_4)^2}+R_5+R_6$		11,011	11,048
	Underwriting risk (R_1)	8,730	8,728
	Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R_2)	–	–
	Guaranteed interest rate risk (R_3)	12	11
	Investment risk (R_4)	1,391	1,396
	Business management risk (R_5)	358	359
	Major catastrophe risk (R_6)	1,810	1,847
(C) Non-consolidated Solvency Margin Ratio [(A) / {(B) × 1/2}] × 100		345.2 %	358.0 %

Note) The above amounts and figures are calculated based on provisions of Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Act and Public Notice No. 50 of the Ministry of Finance (1996). The amounts and figures as of December 31, 2024 are partly calculated by using the simplified method. For example, some bases for the major catastrophe risk calculation are deemed the same as the amounts and figures as of September 30, 2024.

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

Quarterly Balance Sheet

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024	Increase (Decrease)
	Amount	Amount	
Assets:			
Cash and deposits	115,961	56,134	(59,826)
Securities:	3,935,368	3,879,190	(56,177)
Government bonds	2,967,250	2,996,078	28,828
Municipal bonds	59,497	56,004	(3,492)
Corporate bonds	382,384	342,491	(39,892)
Domestic stocks	13,780	12,083	(1,697)
Foreign securities	497,295	439,637	(57,657)
Loans:	42,953	43,471	518
Policy loans	42,953	43,471	518
Tangible fixed assets	2,057	3,097	1,039
Intangible fixed assets	4,140	4,119	(20)
Agency accounts receivable	195	202	7
Reinsurance accounts receivable	1,814	2,382	568
Other assets	56,189	56,619	430
Deferred tax assets	6,877	13,583	6,706
Allowance for possible credit losses	(125)	(143)	(17)
Total assets	4,165,432	4,058,660	(106,771)
Liabilities:			
Policy reserves:	3,555,847	3,650,962	95,115
Reserve for outstanding claims	40,221	38,272	(1,948)
Policy reserves	3,511,187	3,608,141	96,954
Reserve for dividends to policyholders	4,438	4,548	109
Agency accounts payable	5,481	4,276	(1,205)
Reinsurance accounts payable	1,129	1,007	(121)
Other liabilities	399,549	210,840	(188,709)
Reserve for bonus payments to directors	42	13	(29)
Reserve for retirement benefits	5,649	6,076	426
Reserve for possible reimbursement of prescribed claims	345	107	(237)
Reserves under the special laws:	12,035	12,809	773
Reserve for price fluctuation	12,035	12,809	773
Total liabilities	3,980,080	3,886,093	(93,987)
Net assets:			
Shareholders' equity:			
Common stock	17,250	17,250	—
Capital surplus	13,333	13,333	—
Retained earnings	97,012	101,472	4,460
Total shareholders' equity	127,595	132,055	4,460
Valuation and translation adjustments:			
Unrealized gains and losses on securities available for sale	57,755	40,511	(17,244)
Total valuation and translation adjustments	57,755	40,511	(17,244)
Total net assets	185,351	172,567	(12,784)
Total liabilities and net assets	4,165,432	4,058,660	(106,771)

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

Quarterly Statement of Income

(Millions of yen)

	Nine months ended December 31, 2023 (April 1 to December 31, 2023)	Nine months ended December 31, 2024 (April 1 to December 31, 2024)	Increase (Decrease)	Rate of change
	Amount	Amount		
				%
Ordinary income:	400,567	386,153	(14,413)	(3.6)
Insurance premiums and other:	319,278	321,252	1,973	0.6
Insurance premiums	316,378	317,022	643	0.2
Investment income:	78,672	61,894	(16,778)	(21.3)
Interest and dividend income and other	43,833	44,863	1,030	2.4
Gains on sales of securities	29,064	6,832	(22,231)	(76.5)
Investment gains on special account	4,028	1,645	(2,383)	(59.2)
Other ordinary income:	2,617	3,007	390	14.9
Reversal of reserve for outstanding claims	1,451	1,948	496	34.2
Ordinary expenses:	380,024	361,707	(18,317)	(4.8)
Insurance claims and other:	168,157	170,807	2,649	1.6
Insurance claims	30,273	33,274	3,000	9.9
Annuity payments	8,424	8,568	144	1.7
Insurance benefits	41,840	44,871	3,031	7.2
Surrender benefits	81,641	78,257	(3,384)	(4.1)
Other refunds	2,903	2,468	(435)	(15.0)
Provision for policy reserves and other:	97,425	96,954	(471)	(0.5)
Provision for policy reserves	97,425	96,954	(471)	(0.5)
Provision for interest portion of reserve for dividends to policyholders	0	0	(0)	(3.3)
Investment expenses:	41,763	15,559	(26,203)	(62.7)
Interest paid	50	283	233	465.1
Losses on sales of securities	36,046	12,384	(23,662)	(65.6)
Losses on derivatives	5,567	2,788	(2,778)	(49.9)
Operating expenses	68,832	74,048	5,216	7.6
Other ordinary expenses	3,845	4,337	491	12.8
Ordinary profit	20,542	24,446	3,903	19.0
Extraordinary gains:	—	0	0	—
Gains on disposal of fixed assets and other	—	0	0	—
Extraordinary losses:	2,029	1,170	(858)	(42.3)
Losses on disposal of fixed assets and other	1	78	77	6,916.4
Provision for reserves under the special laws:	806	773	(32)	(4.0)
Provision for reserve for price fluctuation	806	773	(32)	(4.0)
Other extraordinary losses	1,221	318	(903)	(73.9)
Provision for reserve for dividends to policyholders	2,324	2,714	389	16.8
Net income before income taxes	16,188	20,561	4,372	27.0
Income taxes and deferred income taxes	4,678	5,901	1,222	26.1
Net income	11,510	14,660	3,149	27.4

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

Major Business Results

Total amount of policies in force

(Number in thousands, Billions of yen, %)

	As of March 31, 2024				As of December 31, 2024			
	Number		Amount		Number		Amount	
		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year
Individual insurance	4,888	104.7	22,447	98.2	5,029	102.9	22,109	98.5
Individual annuities	45	93.9	200	95.9	43	95.7	194	97.3
Group insurance	——	——	2,539	95.5	——	——	2,509	98.8
Group annuities	——	——	—	—	——	——	—	—

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

Total amount of new policies

(Number in thousands, Billions of yen, %)

	Nine months ended December 31, 2023 (April 1 to December 31, 2023)				Nine months ended December 31, 2024 (April 1 to December 31, 2024)			
	Number		Amount		Number		Amount	
		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year		% of previous fiscal year
Individual insurance	339	90.3	1,298	101.3	313	92.4	1,237	95.3
Individual annuities	—	—	—	—	—	—	—	—
Group insurance	——	——	42	49.9	——	——	16	37.4
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, 2024		As of December 31, 2024	
		% of previous fiscal year		% of previous fiscal year
Individual insurance	375,613	101.4	379,327	101.0
Individual annuities	14,694	97.4	14,353	97.7
Total	390,307	101.3	393,680	100.9
Medical and survival benefits	197,905	105.5	203,226	102.7

New policies

(Millions of yen, %)

	Nine months ended December 31, 2023 (April 1 to December 31, 2023)		Nine months ended December 31, 2024 (April 1 to December 31, 2024)	
		% of previous fiscal year		% of previous fiscal year
Individual insurance	24,573	98.6	23,398	95.2
Individual annuities	—	—	—	—
Total	24,573	98.6	23,398	95.2
Medical and survival benefits	15,061	84.2	13,611	90.4

Notes)

1. Annualized premiums are calculated by using multipliers for various premium payment terms to the premium per payment. In single premium contracts, the amount is calculated by dividing the premium by the duration of the policy.
2. Annualized premiums for medical and survival benefits include (a) premium related to medical benefits such as hospitalization and surgery benefits, (b) premium related to survival benefits such as specific illness and nursing benefits, and (c) premium related to premium waiver benefits, in which disability cause is excluded but causes such as specific illness and nursing care are included.

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

Non-consolidated Solvency Margin Ratio

(Millions of yen)

		As of March 31, 2024	As of December 31, 2024
(A) Total Non-consolidated Solvency Margin		422,873	406,578
	Capital, etc.	127,595	132,427
	Reserve for price fluctuation	12,035	12,809
	Contingency reserve	34,976	35,662
	General allowance for possible credit losses	0	0
	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)	72,194	50,639
	Unrealized gains and losses on land (85% of gain or 100% of loss)	—	—
	Excess amount of continued Zillmerized reserve	139,674	137,116
	Subordinated debt, etc.	—	—
	Excess amount of continued Zillmerized reserve and subordinated debt, etc. which are excluded from total solvency margin	—	—
	Brought in capital, etc.	—	—
	Deductions	—	—
	Others	36,395	37,921
(B) Total Non-consolidated Risks $\sqrt{(R_1+R_8)^2+(R_2+R_3+R_7)^2}+R_4$		74,928	75,202
	Underwriting risk (R_1)	13,473	13,122
	Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R_8)	14,184	14,916
	Guaranteed interest rate risk (R_2)	8,238	8,157
	Guaranteed minimum benefit risk (R_7)	420	488
	Investment risk (R_3)	58,925	59,066
	Business management risk (R_4)	1,904	1,915
(C) Non-consolidated Solvency Margin Ratio [(A) / {(B) × 1/2}] × 100		1,128.7 %	1,081.2 %

Notes)

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

Supplementary Explanation

< Calculation of ratios, etc. >

- 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

< Non-consolidated solvency margin ratio >

- 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, e.g. 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.

< Adjusted consolidated profit >

		Calculation method
Adjusted profit by business segment (Note 1)	Domestic P&C Insurance Business	Net income for the period ＋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 Business	Operating income (Note 2) Net income for the period for affiliates accounted for under the equity-method in principle
	Domestic Life Insurance Business	Net income for the period ＋Provisions of contingency reserve (after tax) ＋Provisions for reserve for price fluctuation (after tax) ＋Adjustment of underwriting reserve (after tax) ＋Deferral of acquisition cost (after tax) －Depreciation of acquisition cost (after tax) －Gains/losses on sales of securities and impairment losses on securities (after tax)
	Nursing Care Business	Net income for the period
	Digital & Others	Net income for the period －Gains/losses and impairment losses on investment (after tax)
Adjusted consolidated profit		Total of adjusted profit by business segment

Notes)

1. Adjusted profit by business segment excludes one-time gains and losses or special factors such as dividend from group companies.
2. Operating income excludes one-time factors (operating income = Net income – Net foreign exchange gains and losses – Net realized and unrealized gains and losses – Net impairment losses recognized in earnings, etc.).