

Selected Unofficial Translation of Summary of Consolidated Financial Results for the three months ended June 30, 2015

Note) This document is an unofficial English translation of the Japanese original. Additional translation will be posted around August 14, 2015.

August 7, 2015

Sompo Japan Nipponkoa Holdings, Inc.

**Summary of Consolidated Financial Results for the three months ended June 30, 2015
[Under Japanese GAAP]**

Company Name: Sompo Japan Nipponkoa Holdings, Inc.
Listed on: Tokyo Stock Exchange
Securities code: 8630
URL: <http://www.sompo-hd.com/>
Representative: Kengo Sakurada, President
Scheduled date to file Quarterly Securities Report: August 13, 2015
Scheduled date to start payment of dividends: _____
Supplementary information for quarterly financial statements: Yes
Schedule for quarterly investor meeting: None

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

1. Consolidated Financial Results for the three months ended June 30, 2015 (April 1 to June 30, 2015)

(1) Consolidated Results of Operations (accumulated)

Note) Percentages are changes from corresponding period of previous fiscal year.

	Ordinary income		Ordinary profit		Net income attributable to shareholders of the parent	
	millions of yen	%	millions of yen	%	millions of yen	%
Three months ended June 30, 2015	832,945	3.8	37,485	(30.3)	26,517	—
Three months ended June 30, 2014	802,485	13.7	53,759	361.5	(4,038)	—

Note) Comprehensive income: Three months ended June 30, 2015 50,418 million yen (2.5) %
Three months ended June 30, 2014 51,737 million yen 21.6 %

	Net income per share	Diluted net income per share
	yen	yen
Three months ended June 30, 2015	65.19	65.10
Three months ended June 30, 2014	(9.84)	—

(2) Consolidated Financial Conditions

	Total assets	Net assets	Equity ratio
	millions of yen	millions of yen	%
As of June 30, 2015	10,321,791	1,833,877	17.7
As of March 31, 2015	10,253,431	1,829,852	17.8

Reference) Equity capital: As of June 30, 2015 1,826,260 million yen
As of March 31, 2015 1,821,582 million yen

2. Dividends

	Dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Annual
	yen	yen	yen	yen	yen
Fiscal year ended March 31, 2015	—	30.00	—	40.00	70.00
Fiscal year ending March 31, 2016	—				
Fiscal year ending March 31, 2016 (Forecast)		40.00	—	40.00	80.00

Note) Revisions to the latest announced dividends forecasts: None

3. Forecasts of Consolidated Financial Results for the fiscal year ending March 31, 2016 (April 1, 2015 to March 31, 2016)

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	230,000	10.4	160,000	194.8	392.12

Note) Revisions to the latest announced forecasts of financial results: None

(Notes)

- (1) Changes in significant subsidiaries during the three months ended June 30, 2015 (changes in specified subsidiaries resulting in changes in the scope of consolidation): No
- (2) Application of accounting methods used specifically for the preparation of the quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimations, and retrospective restatements
 - ① Changes in accounting policies due to revisions to accounting standards, etc.: Yes
 - ② Changes in accounting policies due to reasons other than the above: None
 - ③ Changes in accounting estimations: None
 - ④ Retrospective restatements: None
- (4) Number of shares outstanding (Common stock) :
 - ① Total shares outstanding including treasury stock:

As of June 30, 2015	415,352,294 shares
As of March 31, 2015	415,352,294 shares
 - ② Treasury stock:

As of June 30, 2015	11,227,882 shares
As of March 31, 2015	7,314,446 shares
 - ③ Average number of shares outstanding:

For the three months ended June 30, 2015	406,752,865 shares
For the three months ended June 30, 2014	410,174,315 shares

(Expression of implementation status of quarterly review procedures)

This summary is outside the scope of the quarterly review procedures which are required by the Financial Instruments and Exchange Act, and the review procedures of the quarterly consolidated financial statements have not been completed as of the date of the disclosure of this summary.

(Notes for using forecasts of financial results, 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.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

	(Millions of yen)	
	As of March 31, 2015	As of June 30, 2015
Assets:		
Cash and deposits	523,465	522,381
Receivables under resale agreements	71,985	104,976
Monetary receivables bought	14,234	13,273
Money trusts	111,293	113,117
Securities	7,682,930	7,737,764
Loans	604,058	605,670
Tangible fixed assets	343,322	339,610
Intangible fixed assets	100,230	83,167
Other assets	795,963	793,950
Net defined benefit asset	315	263
Deferred tax assets	11,560	13,340
Allowance for possible credit losses	(5,928)	(5,724)
Total assets	10,253,431	10,321,791
Liabilities:		
Underwriting funds:	7,579,309	7,653,192
Reserve for outstanding losses and claims	1,264,221	1,271,673
Underwriting reserves	6,315,087	6,381,518
Corporate bonds	135,958	133,560
Other liabilities	416,340	400,515
Net defined benefit liability	96,854	97,553
Reserve for retirement benefits to directors	64	62
Reserve for bonus payments	24,567	10,769
Reserve for bonus payments to directors	216	—
Reserves under the special laws:	53,553	55,794
Reserve for price fluctuation	53,553	55,794
Deferred tax liabilities	116,713	136,465
Total liabilities	8,423,578	8,487,913
Net assets:		
Shareholders' equity:		
Common stock	100,045	100,045
Capital surplus	438,306	411,169
Retained earnings	222,682	248,502
Treasury stock	(19,067)	(37,094)
Total shareholders' equity	741,967	722,623
Accumulated other comprehensive income:		
Unrealized gains and losses on securities available for sale	1,048,718	1,094,313
Deferred gains and losses on hedges	8,085	7,390
Foreign currency translation adjustments	26,046	5,104
Remeasurements of defined benefit plans	(3,235)	(3,170)
Total accumulated other comprehensive income	1,079,614	1,103,637
Stock acquisition rights	1,550	1,157
Non-controlling interests	6,720	6,459
Total net assets	1,829,852	1,833,877
Total liabilities and net assets	10,253,431	10,321,791

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income
Quarterly Consolidated Statement of Income
Three months ended June 30, 2015

	(Millions of yen)	
	Three months ended June 30, 2014 (April 1 to June 30, 2014)	Three months ended June 30, 2015 (April 1 to June 30, 2015)
Ordinary income:	802,485	832,945
Underwriting income:	746,340	765,648
Net premiums written	614,846	652,601
Deposits of premiums by policyholders	31,173	31,357
Interest and dividend income on deposits of premiums, etc.	11,829	11,175
Life insurance premiums written	64,004	67,532
Reversal of reserve for outstanding losses and claims	23,868	—
Investment income:	50,231	61,927
Interest and dividend income	46,327	48,186
Investment gains on money trusts	1,720	2,847
Investment gains on trading securities	—	3,666
Gains on sales of securities	11,319	10,856
Transfer of interest and dividend income on deposits of premiums, etc.	(11,829)	(11,175)
Other ordinary income	5,914	5,370
Ordinary expenses:	748,726	795,460
Underwriting expenses:	632,956	668,813
Net claims paid	367,826	343,454
Loss adjustment expenses	33,648	34,125
Net commissions and brokerage fees	114,765	125,986
Maturity refunds to policyholders	50,603	50,084
Life insurance claims paid and other payments	17,965	18,523
Provision for reserve for outstanding losses and claims	—	18,153
Provision for underwriting reserves	47,096	77,392
Investment expenses:	1,245	7,140
Investment losses on money trusts	84	54
Investment losses on trading securities	80	—
Losses on sales of securities	714	374
Impairment losses on securities	134	2,648
Operating, general and administrative expenses	111,466	116,326
Other ordinary expenses:	3,057	3,180
Interest paid	2,266	1,219
Ordinary profit	53,759	37,485

	(Millions of yen)	
	Three months ended June 30, 2014 (April 1 to June 30, 2014)	Three months ended June 30, 2015 (April 1 to June 30, 2015)
Extraordinary gains:	218	689
Gains on disposal of fixed assets	77	628
Other extraordinary gains	140	60
Extraordinary losses:	60,089	2,349
Losses on disposal of fixed assets	255	109
Provision for reserves under the special laws:	2,132	2,240
Provision for reserve for price fluctuation	2,132	2,240
Other extraordinary losses	57,701	—
Net income (loss) before income taxes	(6,111)	35,824
Income taxes and deferred income taxes	(2,204)	9,225
Net income (loss)	(3,907)	26,598
Net income attributable to non-controlling interests	131	81
Net income (loss) attributable to shareholders of the parent	(4,038)	26,517

Quarterly Consolidated Statement of Comprehensive Income
Three months ended June 30, 2015

	(Millions of yen)	
	Three months ended June 30, 2014 (April 1 to June 30, 2014)	Three months ended June 30, 2015 (April 1 to June 30, 2015)
Net income (loss)	(3,907)	26,598
Other comprehensive income:		
Unrealized gains and losses on securities available for sale	59,156	45,639
Deferred gains and losses on hedges	(104)	(695)
Foreign currency translation adjustments	(3,413)	(21,174)
Remeasurements of defined benefit plans	18	64
Share of other comprehensive income of affiliates accounted for under the equity method	(12)	(14)
Total other comprehensive income	55,645	23,820
Comprehensive income	51,737	50,418
(Comprehensive income attributable to)		
Comprehensive income attributable to shareholders of the parent	51,727	50,679
Comprehensive income attributable to non-controlling interests	10	(261)

Supplementary Information

(1) Summary of Results of Operations (Consolidated)

(Millions of yen)

	Three months ended June 30, 2014 (April 1 to June 30, 2014)	Three months ended June 30, 2015 (April 1 to June 30, 2015)	Increase (Decrease)	Rate of change
Ordinary income and expenses:				%
Underwriting income:	746,340	765,648	19,307	2.6
Net premiums written	614,846	652,601	37,755	6.1
Deposits of premiums by policyholders	31,173	31,357	183	0.6
Life insurance premiums written	64,004	67,532	3,527	5.5
Underwriting expenses:	632,956	668,813	35,857	5.7
Net claims paid	367,826	343,454	(24,371)	(6.6)
Loss adjustment expenses	33,648	34,125	477	1.4
Net commissions and brokerage fees	114,765	125,986	11,220	9.8
Maturity refunds to policyholders	50,603	50,084	(519)	(1.0)
Life insurance claims paid and other payments	17,965	18,523	557	3.1
Investment income:	50,231	61,927	11,696	23.3
Interest and dividend income	46,327	48,186	1,859	4.0
Gains on sales of securities	11,319	10,856	(463)	(4.1)
Investment expenses:	1,245	7,140	5,895	473.2
Losses on sales of securities	714	374	(339)	(47.5)
Impairment losses on securities	134	2,648	2,513	1,861.8
Operating, general and administrative expenses	111,466	116,326	4,860	4.4
Other ordinary income and expenses	2,856	2,189	(666)	(23.3)
Ordinary profit	53,759	37,485	(16,274)	(30.3)
Extraordinary gains and losses:				
Extraordinary gains	218	689	470	215.8
Extraordinary losses	60,089	2,349	(57,739)	(96.1)
Extraordinary gains and losses	(59,871)	(1,660)	58,210	—
Net income (loss) before income taxes	(6,111)	35,824	41,935	—
Income taxes and deferred income taxes	(2,204)	9,225	11,430	—
Net income (loss)	(3,907)	26,598	30,505	—
Net income attributable to non-controlling interests	131	81	(50)	(38.1)
Net income (loss) attributable to shareholders of the parent	(4,038)	26,517	30,555	—

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

Direct premiums written (including deposits of premiums by policyholders)

(Millions of yen)

Business line	Three months ended June 30, 2014 (April 1 to June 30, 2014)			Three months ended June 30, 2015 (April 1 to June 30, 2015)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	112,547	16.1	15.1	114,421	15.8	1.7
Marine insurance	19,309	2.8	4.4	23,764	3.3	23.1
Personal accident insurance	77,056	11.0	(0.3)	81,235	11.2	5.4
Voluntary automobile insurance	291,939	41.8	7.0	303,801	41.8	4.1
Compulsory automobile liability insurance	81,182	11.6	1.8	82,718	11.4	1.9
Others	115,741	16.6	17.7	120,123	16.5	3.8
Total	697,777	100.0	8.2	726,066	100.0	4.1
Deposits of premiums by policyholders	31,173	4.5	(6.2)	31,357	4.3	0.6

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

Net premiums written

(Millions of yen)

Business line	Three months ended June 30, 2014 (April 1 to June 30, 2014)			Three months ended June 30, 2015 (April 1 to June 30, 2015)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	83,833	13.6	41.2	88,031	13.5	5.0
Marine insurance	16,069	2.6	13.2	25,172	3.9	56.7
Personal accident insurance	54,720	8.9	1.5	57,296	8.8	4.7
Voluntary automobile insurance	292,298	47.5	7.3	304,678	46.7	4.2
Compulsory automobile liability insurance	70,756	11.5	14.8	72,755	11.1	2.8
Others	97,167	15.8	19.8	104,666	16.0	7.7
Total	614,846	100.0	13.3	652,601	100.0	6.1

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

Net claims paid

(Millions of yen)

Business line	Three months ended June 30, 2014 (April 1 to June 30, 2014)			Three months ended June 30, 2015 (April 1 to June 30, 2015)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	78,190	21.3	92.1	51,582	15.0	(34.0)
Marine insurance	6,947	1.9	20.8	10,190	3.0	46.7
Personal accident insurance	25,371	6.9	(1.9)	25,806	7.5	1.7
Voluntary automobile insurance	159,977	43.5	5.5	156,497	45.6	(2.2)
Compulsory automobile liability insurance	55,826	15.2	2.6	55,041	16.0	(1.4)
Others	41,512	11.3	35.0	44,336	12.9	6.8
Total	367,826	100.0	19.0	343,454	100.0	(6.6)

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

(3) Securities (Consolidated)

1. Bonds held to maturity

(Millions of yen)

	As of March 31, 2015			As of June 30, 2015		
	Carrying amount	Fair value	Unrealized gains and losses	Carrying amount	Fair value	Unrealized gains and losses
Domestic bonds	1,236,030	1,424,142	188,112	1,230,250	1,401,572	171,322
Foreign securities	10,607	10,625	18	6,900	6,898	(1)
Total	1,246,637	1,434,768	188,131	1,237,150	1,408,470	171,320

2. Policy reserve matching bonds

(Millions of yen)

	As of March 31, 2015			As of June 30, 2015		
	Carrying amount	Fair value	Unrealized gains and losses	Carrying amount	Fair value	Unrealized gains and losses
Domestic bonds	75,497	78,479	2,981	87,403	89,371	1,967
Total	75,497	78,479	2,981	87,403	89,371	1,967

3. Securities available for sale

(Millions of yen)

	As of March 31, 2015			As of June 30, 2015		
	Cost	Carrying amount	Unrealized gains and losses	Cost	Carrying amount	Unrealized gains and losses
Domestic bonds	2,225,465	2,376,272	150,806	2,181,011	2,321,597	140,586
Domestic stocks	716,039	1,768,999	1,052,960	708,820	1,844,358	1,135,537
Foreign securities	1,581,268	1,812,290	231,022	1,631,478	1,854,648	223,170
Others	62,165	67,518	5,352	62,614	68,239	5,624
Total	4,584,939	6,025,081	1,440,142	4,583,925	6,088,844	1,504,918

Notes)

As of March 31, 2015	As of June 30, 2015
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 classified as monetary receivables bought in the consolidated balance sheet are included in "Others" above.	2. Certificate of deposit classified as cash and deposits and beneficial interests in the loan trusts classified as monetary receivables bought in the quarterly consolidated balance sheet are included in "Others" above.
3. 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 842 million yen (domestic stocks: 534 million yen, foreign securities: 307 million yen). Basically, Sompo Japan Nipponkoa Holdings, Inc. and its domestic consolidated subsidiaries recognize impairment losses on securities if fair value at the end of the fiscal year declines by 30% or more from their cost.	3. 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 2,647 million yen (domestic stocks: 2,644 million yen, foreign securities: 3 million yen). Basically, Sompo Japan Nipponkoa Holdings, Inc. and its domestic consolidated subsidiaries recognize impairment losses on securities if fair value at the end of the first quarter declines by 30% or more from their cost.