

October 26, 2018
Sompo Holdings, Inc.

Sompo Holdings Enters Comprehensive Business Alliance Agreement with a Major Chinese State-Owned Insurance Group

Sompo Holdings, Inc. (Group CEO & President: Kengo Sakurada) hereby announces that on October 24, it entered into a comprehensive business alliance agreement in the insurance business with China Reinsurance (Group) Corporation (“China Re Group”), a major Chinese state-owned insurance group.

1. Purpose of the Alliance

The China Re Group has a portfolio of reinsurance companies and insurance companies, providing various rapidly growing lines of insurance to the Chinese market, such as auto insurance, agricultural insurance and life insurance. The Sompo Holdings Group will utilize its underwriting expertise and overseas networks while working closely with the China Re Group. By doing so, it will strive to further expand its overseas insurance business, including the Chinese insurance business.

In China, Sompo Insurance China Co., Ltd., a subsidiary of the Sompo Holdings Group in China, will jointly conduct product and market development initiatives with various companies in the China Re Group.

Outside China, Sompo Holdings will provide underwriting support for infrastructure projects and other initiatives undertaken by the China Re Group outside the country. This will be done by making effective use of the Sompo Holdings Group’s overseas network.

2. Background

In step with the development of the Chinese economy, China has been playing an increasingly influential role in the international financial system over the past few years. Moreover, China has been accelerating financial liberalization measures. In this environment, the Chinese and Japanese governments agreed to further strengthen bilateral financial cooperation at the Japan-China summit meeting held in May 2018. Private-sector companies from both countries have also been joining forces to advance cooperative initiatives that will contribute to the development of the Chinese economy as well as emerging economies.

The Chinese government has been providing third countries with financial assistance for infrastructure investment. Against this backdrop, demand for insurance is expected to grow, driven by factors such as an increase in the number of infrastructure projects going forward. Through this business alliance with Asia’s largest reinsurance group, Sompo Holdings will drive further expansion in the overseas insurance business, including the fast-growing Chinese market.

3. Outlook

Sompo Holdings has embraced the following Group Management Philosophy: “We will strive to contribute to the security, health, and wellbeing of our customers and society as a whole by providing insurance and related services of the highest quality possible.” In commemoration of

the 40th anniversary of the conclusion of the Treaty of Peace and Friendship between Japan and China, Sompo Holdings would like to take the opportunity of this business alliance to further advance bilateral cooperation between Japan and China in the financial field.

【Outline of the Counterparty to the Business Alliance】

Name	China Reinsurance (Group) Corporation
Head office	No. 11 Jinrong Avenue, Xicheng District, Beijing, China
Established	August 1996
Representative	Yuan Linjiang, Chairman
Total assets	RMB 242.8 billion (approximately JPY 3,928.5 billion*)
Gross written premiums	RMB 105.3 billion (approximately JPY 1,703.8 billion*)
Employees	49,431

* Calculated based on an exchange rate of 16.18 yen per 1 renminbi.