



PGA Sampo Insurance Corporation

A joint venture between: Prudential Guarantee and Assurance Inc. and Sampo Japan Nipponkoa Insurance Inc.

March 29, 2017

The BOARD OF DIRECTORS
PGA Sampo Insurance Corporation

Gentlemen:

Enclosed is the 2016 Audited Financial Statement of PGA Sampo Insurance Corporation for the final approval of the Board of Directors.

Trust you find the foregoing in order.

Thank you.

Very truly yours,



FUMIHIKO HARADA
President & CEO

APPROVED BY:

ROBERT COYIUTO, JR.
Chairman

KATSUYUKI TAJIRI
Director

PHILLIP K. RICO
Director

SAMUEL G. COYIUTO
Director

CELESTINO L. ANG
Director

EDGARDO V. BETITO
Director

MITSURU NAGAMORI
Director

ETHELWOLDO E. FERNANDEZ
Independent Director

FUMIHIKO HARADA
Director

JAMES G. COYIUTO
Director

IMELDA CH. UNSON
Director

DAISUKE SHINKAWA
Director

HIROSHI ISHIKAWA
Director

PRUDENCIO T. COYIUTO
Director

PGA SOMPO INSURANCE CORPORATION
(formerly PGA Sompo Japan Insurance, Inc.)
STATEMENTS OF FINANCIAL POSITION

	As for the period ended	
	2016	2015
ASSETS		
Cash and Cash Equivalents	640,383,217	347,291,787
Short-term Investments	4,972,000	24,806,578
Insurance Receivables	452,267,611	398,014,729
Financial Assets		
Financial assets at fair value through profit or loss	155,530,599	108,328,796
Available-for-sale financial assets	42,047,775	39,071,749
Loans and receivables	36,683,217	28,259,339
Reinsurance Assets	1,001,261,549	834,489,396
Deferred Acquisition Costs	40,769,648	27,061,560
Property and Equipment - net	4,697,430	3,411,210
Deferred Income Tax Assets - net	14,967,405	12,171,170
Other Assets	77,927,303	74,615,913
TOTAL ASSETS	2,471,507,754	1,897,522,227
LIABILITIES AND EQUITY		
Liabilities		
Insurance contract liabilities	1,070,591,635	856,366,230
Insurance payables	453,232,823	482,145,479
Accounts payable and accrued expenses	89,222,926	83,634,551
Deferred reinsurance commissions	66,075,979	50,081,617
Net pension benefit obligation	11,879,799	10,176,494
Total liabilities	1,691,003,162	1,482,404,371
Equity		
Capital stock - 100 par value		
Authorized - 3,000,000 shares		
Issued and outstanding - 2,500,000 shares	300,000,000	300,000,000
Deposits for future subscriptions	350,000,000	-
Contributed surplus	4,666,000	4,666,000
Revaluation reserve on available-for-sale		
financial assets	37,144,231	34,168,205
Remeasurements on defined benefit plan	-1,228,470	-1,067,388
Retained earnings	89,922,831	77,351,039
Total equity	780,504,592	415,117,856
TOTAL LIABILITIES AND EQUITY	2,471,507,754	1,897,522,227

PGA SOMPO INSURANCE CORPORATION
(formerly PGA Sompo Japan Insurance, Inc.)

STATEMENTS OF INCOME

Years Ended December 31

	2016	2015
Gross premiums earned	1,348,084,525	1,105,540,062
Reinsurers' share of gross premiums earned	1,310,977,950	1,082,005,959
Net premiums earned	37,106,575	23,534,103
Commission income	141,179,055	89,327,944
Investment and other income - net	15,308,813	6,188,089
Foreign currency exchange gains - net	3,433,385	6,290,361
Other income	159,921,253	101,806,394
Total income	197,027,828	125,340,497
Gross insurance contract benefits and claims paid	101,257,428	135,581,229
Reinsurers' share of gross insurance contract benefits and claims paid	(93,962,283)	(127,648,816)
Gross change in insurance contract liabilities	154,727,088	(49,486,270)
Reinsurers' share of gross change in insurance contract liabilities	(149,591,854)	45,949,381
Net insurance contract benefits and claims	12,430,379	4,395,524
Commission expense	85,224,739	40,780,109
General expenses	79,835,479	68,619,641
Foreign currency exchange losses - net		
Interest expense	2,947	105,255
Other expenses	165,063,165	109,505,005
Total insurance contract and other expenses	177,493,544	113,900,529
INCOME BEFORE INCOME TAX	19,534,284	11,439,968
PROVISION FOR INCOME TAX	6,962,492	5,424,298
NET INCOME	12,571,792	6,015,670