

Consolidated Solvency Margin Ratio

(Millions of yen)

	As of March 31, 2016	As of March 31, 2017
(A) Total Consolidated Solvency Margin	2,352,563	2,508,547
Capital and funds, etc.	453,054	286,086
Reserve for price fluctuation	58,246	68,788
Contingency reserve	623	623
Catastrophic loss reserve	567,883	577,363
General allowance for possible credit losses	1,875	2,768
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	1,059,302	1,111,715
Unrealized gains and losses on land	42,991	52,914
Total of unrecognized actual difference and unrecognized prior service costs (before tax effect deductions)	△34,454	△41,183
Surplus such as premium fund	—	—
Subordinated debt, etc.	133,560	333,560
Excess amount of surplus such as premium fund and subordinated debt, etc. which are excluded from total solvency margin	—	—
Total solvency margin related to small amount and short term insurance companies	—	—
Deductions	54,526	47,434
Others	124,005	163,344
(B) Total Consolidated Risks		
$\sqrt{(\sqrt{R_1^2 + R_2^2 + R_3 + R_4})^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$	627,116	755,018
Underwriting risk for property and casualty insurance business (R ₁)	213,001	258,253
Underwriting risk for life insurance business (R ₂)	600	982
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R ₃)	—	—
Underwriting risk related to small amount and short term insurance companies (R ₄)	—	—
Guaranteed interest rate risk (R ₅)	22,061	20,745
Guaranteed minimum benefit risk for life insurance policies (R ₆)	—	—
Investment risk (R ₇)	393,724	496,545
Business management risk (R ₈)	15,809	19,064
Major catastrophe risk for property and casualty insurance policies (R ₉)	144,137	157,779
(C) Consolidated Solvency Margin Ratio		
$[(A) / \{(B) \times 1/2\}] \times 100$	750.2%	664.4%

Note) The above amounts and figures are calculated based on provisions of Articles 86-2 and 88 of the Ordinance for Enforcement of the Insurance Business Act and Public Notice No. 23 of the Financial Services Agency (2011).