

Consolidated Solvency Margin Ratio

(Millions of yen)

	As of March 31, 2015	As of March 31, 2016
(A) Total Consolidated Solvency Margin	2,969,657	2,764,768
Capital and funds, etc.	657,402	734,666
Reserve for price fluctuation	53,553	62,487
Contingency reserve	27,338	28,844
Catastrophic loss reserve	569,247	567,883
General allowance for possible credit losses	2,067	1,900
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	1,304,372	1,022,501
Unrealized gains and losses on land	13,998	20,093
Total of unrecognized actual difference and unrecognized prior service costs (before tax effect deductions)	△4,512	△34,189
Surplus such as premium fund	132,485	137,836
Subordinated debt, etc.	133,560	133,560
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	64,721	54,755
Others	144,864	143,938
(B) Total Consolidated Risks		
$\sqrt{(\sqrt{R_1^2 + R_2^2} + R_3 + R_4)^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$	739,252	649,415
Underwriting risk for property and casualty insurance business (R ₁)	205,647	213,001
Underwriting risk for life insurance business (R ₂)	13,806	13,946
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R ₃)	6,978	7,794
Underwriting risk related to small amount and short term insurance companies (R ₄)	—	—
Guaranteed interest rate risk (R ₅)	31,543	30,396
Guaranteed minimum benefit risk for life insurance policies (R ₆)	358	366
Investment risk (R ₇)	469,319	404,924
Business management risk (R ₈)	18,419	16,630
Major catastrophe risk for property and casualty insurance policies (R ₉)	176,196	144,137
(C) Consolidated Solvency Margin Ratio [(A) / {(B) × 1/2}] × 100	803.4%	851.4%

Notes)

- The above amounts and figures are calculated based on provisions of Articles 210-11-3 and 210-11-4 of the Ordinance for Enforcement of the Insurance Business Act and Public Notice No. 23 of the Financial Services Agency (2011).
- The ratio of the fiscal year ended March 31, 2015 are calculated based on the provision which is not reflected the revised contents of the Cabinet Office Ordinance No. 16 (2016) and Public Notice No. 10 of the Financial Services Agency (2016). Therefore, "Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)" of (A) Total Consolidated Solvency Margin) as of March 31, 2015 represents the amount of unrealized gains and losses on securities (before tax effect deductions).