

Consolidated Solvency Margin Ratio

(Millions of yen)

	As of March 31, 2017	As of March 31, 2018
(A) Total Consolidated Solvency Margin	2,929,303	3,345,644
Capital and funds, etc.	581,789	698,113
Reserve for price fluctuation	74,200	86,095
Contingency reserve	30,154	30,894
Catastrophic loss reserve	577,363	560,080
General allowance for possible credit losses	2,785	2,412
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	1,055,534	1,129,750
Unrealized gains and losses on land	29,657	69,855
Total of unrecognized actual difference and unrecognized prior service costs (before tax effect deductions)	△41,126	△4,473
Surplus such as premium fund	146,556	164,592
Subordinated debt, etc.	333,560	433,560
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	47,666	38,553
Others	186,493	213,315
(B) Total Consolidated Risks		
$\sqrt{(\sqrt{R_1^2 + R_2^2} + R_3 + R_4)^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$	782,195	775,746
Underwriting risk for property and casualty insurance business (R ₁)	258,253	250,523
Underwriting risk for life insurance business (R ₂)	14,600	14,256
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R ₃)	8,725	9,318
Underwriting risk related to small amount and short term insurance companies (R ₄)	—	—
Guaranteed interest rate risk (R ₅)	29,114	27,801
Guaranteed minimum benefit risk for life insurance policies (R ₆)	374	379
Investment risk (R ₇)	512,555	515,517
Business management risk (R ₈)	20,006	19,804
Major catastrophe risk for property and casualty insurance policies (R ₉)	157,779	153,168
(C) Consolidated Solvency Margin Ratio		
$[(A)/(B) \times 1/2] \times 100$	748.9%	862.5%

Note) 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).