

Consolidated Solvency Margin Ratio

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
(A) Total Consolidated Solvency Margin	2,929,303	3,227,484
Capital and funds, etc.	581,789	645,199
Reserve for price fluctuation	74,200	77,174
Contingency reserve	30,154	30,369
Catastrophic loss reserve	577,363	592,859
General allowance for possible credit losses	2,785	2,700
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	1,055,534	1,154,815
Unrealized gains and losses on land	29,657	29,865
Total of unrecognized actual difference and unrecognized prior service costs (before tax effect deductions)	△41,126	△40,208
Surplus such as premium fund	146,556	152,012
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	47,488
Others	186,493	196,624
(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	800,745
Underwriting risk for property and casualty insurance business (R ₁)	258,253	256,457
Underwriting risk for life insurance business (R ₂)	14,600	14,542
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R ₃)	8,725	8,849
Underwriting risk related to small amount and short term insurance companies (R ₄)	—	—
Guaranteed interest rate risk (R ₅)	29,114	28,796
Guaranteed minimum benefit risk for life insurance policies (R ₆)	374	376
Investment risk (R ₇)	512,555	525,075
Business management risk (R ₈)	20,006	20,374
Major catastrophe risk for property and casualty insurance policies (R ₉)	157,779	165,718
(C) Consolidated Solvency Margin Ratio		
$[(A) / \{(B) \times 1/2\}] \times 100$	748.9%	806.1%

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 Service Agency (2011). However, the above amounts and figures as of June 30, 2017 are partially based on simplified methods including but not limited to use of data as of March 31, 2017.