

Consolidated Solvency Margin Ratio

(Millions of yen)

	As of March 31, 2015	As of March 31, 2016
(A) Total Consolidated Solvency Margin	2,655,614	2,352,563
Capital and funds, etc.	429,998	453,054
Reserve for price fluctuation	50,199	58,246
Contingency reserve	623	623
Catastrophic loss reserve	569,247	567,883
General allowance for possible credit losses	2,060	1,875
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	1,374,778	1,059,302
Unrealized gains and losses on land	35,852	42,991
Total of unrecognized actual difference and unrecognized prior service costs (before tax effect deductions)	△4,822	△34,454
Surplus such as premium fund	—	—
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	54,526
Others	128,838	124,005
(B) Total Consolidated Risks		
$\sqrt{(\sqrt{R_1^2 + R_2^2 + R_3 + R_4})^2 + (R_5 + R_6 + R_7)^2 + R_8 + R_9}$	719,757	627,116
Underwriting risk for property and casualty insurance business (R ₁)	205,647	213,001
Underwriting risk for life insurance business (R ₂)	629	600
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)	23,283	22,061
Guaranteed minimum benefit risk for life insurance policies (R ₆)	—	—
Investment risk (R ₇)	460,728	393,724
Business management risk (R ₈)	17,671	15,809
Major catastrophe risk for property and casualty insurance policies (R ₉)	176,196	144,137
(C) Consolidated Solvency Margin Ratio		
$[(A) / \{(B) \times 1/2\}] \times 100$	737.9%	750.2%

Notes)

1. 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).
2. 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).