

Consolidated Solvency Margin Ratio

(Millions of yen)

	As of March 31, 2017	As of March 31, 2018
(A) Total Consolidated Solvency Margin	2,508,547	2,891,980
Capital and funds, etc.	286,086	389,839
Reserve for price fluctuation	68,788	79,257
Contingency reserve	623	623
Catastrophic loss reserve	577,363	560,080
General allowance for possible credit losses	2,768	2,390
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	1,111,715	1,188,206
Unrealized gains and losses on land	52,914	93,032
Total of unrecognized actual difference and unrecognized prior service costs (before tax effect deductions)	△41,183	△4,142
Surplus such as premium fund	—	—
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	47,434	38,322
Others	163,344	187,452
(B) Total Consolidated Risks		
$\sqrt{(\sqrt{R_1^2 + R_2^2 + R_3 + R_4})^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$	755,018	747,553
Underwriting risk for property and casualty insurance business (R <sub>1</sub> )	258,253	250,523
Underwriting risk for life insurance business (R <sub>2</sub> )	982	749
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R <sub>3</sub> )	—	—
Underwriting risk related to small amount and short term insurance companies (R <sub>4</sub> )	—	—
Guaranteed interest rate risk (R <sub>5</sub> )	20,745	19,371
Guaranteed minimum benefit risk for life insurance policies (R <sub>6</sub> )	—	—
Investment risk (R <sub>7</sub> )	496,545	498,791
Business management risk (R <sub>8</sub> )	19,064	18,837
Major catastrophe risk for property and casualty insurance policies (R <sub>9</sub> )	157,779	153,168
(C) Consolidated Solvency Margin Ratio [(A) / {(B) × 1/2}] × 100	664.4%	773.7%

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).