

Consolidated Solvency Margin Ratio

(Millions of yen)

	As of March 31, 2016	As of March 31, 2017
(A) Total Consolidated Solvency Margin	2,764,768	2,929,303
Capital and funds, etc.	734,666	581,789
Reserve for price fluctuation	62,487	74,200
Contingency reserve	28,844	30,154
Catastrophic loss reserve	567,883	577,363
General allowance for possible credit losses	1,900	2,785
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	1,022,501	1,055,534
Unrealized gains and losses on land	20,093	29,657
Total of unrecognized actual difference and unrecognized prior service costs (before tax effect deductions)	△34,189	△41,126
Surplus such as premium fund	137,836	146,556
Subordinated debt, etc.	133,560	333,560
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	54,755	47,666
Others	143,938	186,493
(B) Total Consolidated Risks		
$\sqrt{(\sqrt{R_1^2 + R_2^2 + R_3 + R_4})^2 + (R_5 + R_6 + R_7)^2 + R_8 + R_9}$	649,415	782,195
Underwriting risk for property and casualty insurance business (R ₁)	213,001	258,253
Underwriting risk for life insurance business (R ₂)	13,946	14,600
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R ₃)	7,794	8,725
Underwriting risk related to small amount and short term insurance companies (R ₄)	—	—
Guaranteed interest rate risk (R ₅)	30,396	29,114
Guaranteed minimum benefit risk for life insurance policies (R ₆)	366	374
Investment risk (R ₇)	404,924	512,555
Business management risk (R ₈)	16,630	20,006
Major catastrophe risk for property and casualty insurance policies (R ₉)	144,137	157,779
(C) Consolidated Solvency Margin Ratio [(A) / {(B) × 1/2}] × 100	851.4%	748.9%

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).