

## Consolidated Solvency Margin Ratio

(Millions of yen)

	As of March 31, 2018	As of December 31, 2018
(A) Total Consolidated Solvency Margin	3,345,644	3,141,038
Capital and funds, etc.	698,113	783,884
Reserve for price fluctuation	86,095	89,619
Contingency reserve	30,894	31,878
Catastrophic loss reserve	560,080	452,009
General allowance for possible credit losses	2,412	3,139
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	1,129,750	884,962
Unrealized gains and losses on land	69,855	83,771
Total of unrecognized actual difference and unrecognized prior service costs (before tax effect deductions)	△4,473	△3,892
Surplus such as premium fund	164,592	170,624
Subordinated debt, etc.	433,560	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	38,553	40,967
Others	213,315	252,448
(B) Total Consolidated Risks		
$\sqrt{(\sqrt{R_1^2 + R_2^2} + R_3 + R_4)^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$	775,746	765,109
Underwriting risk for property and casualty insurance business (R <sub>1</sub> )	250,523	250,470
Underwriting risk for life insurance business (R <sub>2</sub> )	14,256	14,753
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance (R <sub>3</sub> )	9,318	9,755
Underwriting risk related to small amount and short term insurance companies (R <sub>4</sub> )	—	—
Guaranteed interest rate risk (R <sub>5</sub> )	27,801	27,391
Guaranteed minimum benefit risk for life insurance policies (R <sub>6</sub> )	379	386
Investment risk (R <sub>7</sub> )	515,517	470,611
Business management risk (R <sub>8</sub> )	19,804	19,528
Major catastrophe risk for property and casualty insurance policies (R <sub>9</sub> )	153,168	183,142
(C) Consolidated Solvency Margin Ratio		
$[(A) / \{(B) \times 1/2\}] \times 100$	862.5%	821.0%

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 December 31, 2018 are partially based on simplified methods including but not limited to use of data as of September 30, 2018.