

Consolidated Solvency Margin Ratio

(Millions of yen)

	As of March 31, 2016	As of September 30, 2016
(A) Total Consolidated Solvency Margin	2,352,563	2,592,262
Capital and funds, etc.	453,054	502,305
Reserve for price fluctuation	58,246	62,270
Contingency reserve	623	623
Catastrophic loss reserve	567,883	590,121
General allowance for possible credit losses	1,875	1,974
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	1,059,302	990,161
Unrealized gains and losses on land	42,991	56,387
Total of unrecognized actual difference and unrecognized prior service costs (before tax effect deductions)	△34,454	△33,080
Surplus such as premium fund	—	—
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	54,526	51,907
Others	124,005	139,845
(B) Total Consolidated Risks		
$\sqrt{(\sqrt{R_1^2 + R_2^2 + R_3 + R_4})^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$	627,116	592,771
Underwriting risk for property and casualty insurance business (R ₁)	213,001	213,053
Underwriting risk for life insurance business (R ₂)	600	770
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)	22,061	21,785
Guaranteed minimum benefit risk for life insurance policies (R ₆)	—	—
Investment risk (R ₇)	393,724	370,882
Business management risk (R ₈)	15,809	15,101
Major catastrophe risk for property and casualty insurance policies (R ₉)	144,137	130,925
(C) Consolidated Solvency Margin Ratio		
$[(A) / \{(B) \times 1/2\}] \times 100$	750.2%	874.6%

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).