

Consolidated Solvency Margin Ratio

(Millions of yen)

	As of March 31, 2019	As of March 31, 2020
(A) Total Consolidated Solvency Margin	2,738,547	2,603,428
Capital and funds, etc.	468,023	534,714
Reserve for price fluctuation	83,232	87,173
Contingency reserve	929	1,360
Catastrophic loss reserve	501,491	466,910
General allowance for possible credit losses	2,717	4,568
Unrealized gains and losses on securities, deferred gains and losses on hedges (before tax effect deductions)	973,634	753,984
Unrealized gains and losses on land	102,267	120,616
Total of unrecognized actual difference and unrecognized prior service costs (before tax effect deductions)	△4,555	2,981
Surplus such as premium fund	—	—
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	0	0
Deductions	36,658	30,069
Others	213,906	227,627
(B) Total Consolidated Risks		
$\sqrt{(\sqrt{R_1^2 + R_2^2 + R_3 + R_4})^2 + (R_5 + R_6 + R_7)^2 + R_8 + R_9}$	725,843	695,884
Underwriting risk for property and casualty insurance business (R <sub>1</sub> )	251,559	263,183
Underwriting risk for life insurance business (R <sub>2</sub> )	677	1,161
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> )	—	1
Guaranteed interest rate risk (R <sub>5</sub> )	18,089	16,872
Guaranteed minimum benefit risk for life insurance policies (R <sub>6</sub> )	—	—
Investment risk (R <sub>7</sub> )	443,629	406,864
Business management risk (R <sub>8</sub> )	18,322	17,761
Major catastrophe risk for property and casualty insurance policies (R <sub>9</sub> )	181,719	179,303
(C) Consolidated Solvency Margin Ratio		
$[(A) / \{(B) \times 1/2\}] \times 100$	754.5%	748.2%

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).