

Consolidated Solvency Margin Ratio as of September 30, 2017

(Yen in millions)

	March 31, 2017	September 30, 2017
(A) Total amount of solvency margin	1,305,152	1,387,762
Total net assets	358,336	361,411
Reserve for price fluctuation	37,114	37,993
Contingency reserve	747	747
Catastrophe reserve	318,993	342,318
General bad debt reserve	296	198
Net unrealized gains/(losses) on investments in securities and net deferred gains/(losses) on hedges (Prior to tax effect deductions)	456,267	530,539
Net unrealized gains/(losses) on land	14,182	19,208
Total amount of unrecognized actuarial gains/(losses) and unrecognized past service costs (Prior to tax effect deductions)	7,940	9,365
Excess of policyholders' contract deposits (a)	-	-
Subordinated debts, etc. (b)	50,000	17,600
Amount excluded from the margin, out of (a) and (b)	-	-
Total margin relating to small amount and short term insurance provider	-	-
Deductions	7,637	2,633
Others	68,911	71,012
(B) Total amount of risks	298,961	322,010
$\sqrt{(\sqrt{R_1^2 + R_2^2} + R_3 + R_4)^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$		
General insurance risk of non-life insurance contracts (R ₁)	110,315	110,302
Insurance risk of life insurance contracts (R ₂)	96	114
Insurance risk of third sector insurance contracts (R ₃)	-	-
Insurance risk relating to small amount and short term insurance provider (R ₄)	-	-
Assumed interest rate risk (R ₅)	8,387	8,176
Minimum guarantee risk of life insurance contracts (R ₆)	-	-
Asset management risk (R ₇)	201,533	217,592
Business administration risk (R ₈)	7,493	7,978
Catastrophe risk of non-life insurance contracts (R ₉)	54,326	62,757
(C) Consolidated solvency margin ratio	873.1%	861.9%
$[(A)/\{(B) \times 1/2\}] \times 100$		

(Note) The consolidated solvency margin ratio is calculated pursuant to the provisions of Article 86.2 (the consolidated solvency margin) and Article 88 (the consolidated risk) of the Insurance Business Act Enforcement Regulations and Public Notice No. 23 issued by the Financial Services Agency in 2011.