

Consolidated Solvency Margin Ratio as of March 31, 2017

(Yen in millions)

	March 31, 2016	March 31, 2017
(A) Total amount of solvency margin	2,195,007	2,497,621
Total net assets	283,757	460,860
Reserve for price fluctuation	64,133	67,801
Contingency reserve	483	589
Catastrophe reserve	495,691	536,735
General bad debt reserve	199	156
Net unrealized gains/(losses) on investments in securities and net deferred gains/(losses) on hedges (Prior to tax effect deductions)	1,135,076	1,173,227
Net unrealized gains/(losses) on land	53,997	61,877
Total amount of unrecognized actuarial gains/(losses) and unrecognized past service costs (Prior to tax effect deductions)	(28,319)	(28,026)
Excess of policyholders' contract deposits (a)	-	-
Subordinated debts, etc. (b)	256,191	256,191
Amount excluded from the margin, out of (a) and (b)	-	-
Total margin relating to small amount and short term insurance provider	-	-
Deductions	170,641	175,247
Others	104,435	143,455
(B) Total amount of risks	773,500	722,818
$\sqrt{(\sqrt{R_1^2 + R_2^2} + R_3 + R_4)^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$		
General insurance risk of non-life insurance contracts (R ₁)	197,238	185,942
Insurance risk of life insurance contracts (R ₂)	-	-
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)	17,579	16,637
Minimum guarantee risk of life insurance contracts (R ₆)	5,803	6,051
Asset management risk (R ₇)	506,441	503,102
Business administration risk (R ₈)	18,337	17,193
Catastrophe risk of non-life insurance contracts (R ₉)	189,816	147,924
(C) Consolidated solvency margin ratio [(A)/{(B)×1/2}]×100	567.5%	691.0%

(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.