

Consolidated Solvency Margin Ratio as of September 30, 2017

(Yen in millions)

	March 31, 2017	September 30, 2017
(A) Total amount of solvency margin	2,497,621	2,751,442
Total net assets	460,860	495,721
Reserve for price fluctuation	67,801	69,639
Contingency reserve	589	675
Catastrophe reserve	536,735	564,424
General bad debt reserve	156	115
Net unrealized gains/(losses) on investments in securities and net deferred gains/(losses) on hedges (Prior to tax effect deductions)	1,173,227	1,307,303
Net unrealized gains/(losses) on land	61,877	69,281
Total amount of unrecognized actuarial gains/(losses) and unrecognized past service costs (Prior to tax effect deductions)	(28,026)	(19,855)
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	175,247	168,393
Others	143,455	176,339
(B) Total amount of risks	722,818	771,741
$\sqrt{(\sqrt{R_1^2 + R_2^2 + R_3 + R_4})^2 + (R_5 + R_6 + R_7)^2 + R_8 + R_9}$		
General insurance risk of non-life insurance contracts (R ₁)	185,942	186,945
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)	16,637	16,364
Minimum guarantee risk of life insurance contracts (R ₆)	6,051	6,316
Asset management risk (R ₇)	503,102	560,771
Business administration risk (R ₈)	17,193	18,224
Catastrophe risk of non-life insurance contracts (R ₉)	147,924	140,845
(C) Consolidated solvency margin ratio [(A)/{(B)×1/2}]×100	691.0%	713.0%

(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.