

Consolidated Solvency Margin Ratio as of March 31, 2018

(Yen in millions)

	March 31, 2017	March 31, 2018
(A) Total amount of solvency margin	2,497,621	2,714,894
Total net assets	460,860	339,791
Reserve for price fluctuation	67,801	71,813
Contingency reserve	589	-
Catastrophe reserve	536,735	552,914
General bad debt reserve	156	156
Net unrealized gains/(losses) on investments in securities and net deferred gains/(losses) on hedges (Prior to tax effect deductions)	1,173,227	1,288,583
Net unrealized gains/(losses) on land	61,877	66,112
Total amount of unrecognized actuarial gains/(losses) and unrecognized past service costs (Prior to tax effect deductions)	(28,026)	(13,782)
Excess of policyholders' contract deposits (a)	-	-
Subordinated debts, etc. (b)	256,191	386,191
Amount excluded from the margin, out of (a) and (b)	-	-
Total margin relating to small amount and short term insurance provider	-	-
Deductions	175,247	170,561
Others	143,455	193,676
(B) Total amount of risks	722,818	809,237
$\sqrt{(\sqrt{R_1^2 + R_2^2} + R_3 + R_4)^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$		
General insurance risk of non-life insurance contracts (R ₁)	185,942	200,192
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	15,571
Minimum guarantee risk of life insurance contracts (R ₆)	6,051	6,096
Asset management risk (R ₇)	503,102	587,784
Business administration risk (R ₈)	17,193	19,164
Catastrophe risk of non-life insurance contracts (R ₉)	147,924	148,582
(C) Consolidated solvency margin ratio [(A)/{(B)×1/2}]×100	691.0%	670.9%

(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.