

Consolidated Solvency Margin Ratio as of March 31, 2018

(Yen in millions)

	March 31, 2017	March 31, 2018
(A) Total amount of solvency margin	1,305,152	1,284,815
Total net assets	358,336	328,075
Reserve for price fluctuation	37,114	1,688
Contingency reserve	747	747
Catastrophe reserve	318,993	348,058
General bad debt reserve	296	199
Net unrealized gains/(losses) on investments in securities and net deferred gains/(losses) on hedges (Prior to tax effect deductions)	456,267	522,163
Net unrealized gains/(losses) on land	14,182	18,126
Total amount of unrecognized actuarial gains/(losses) and unrecognized past service costs (Prior to tax effect deductions)	7,940	10,248
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	2,503
Others	68,911	40,411
(B) Total amount of risks	298,961	319,689
$\sqrt{(\sqrt{R_1^2 + R_2^2} + R_3 + R_4)^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$		
General insurance risk of non-life insurance contracts (R ₁)	110,315	113,309
Insurance risk of life insurance contracts (R ₂)	96	139
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	7,831
Minimum guarantee risk of life insurance contracts (R ₆)	-	-
Asset management risk (R ₇)	201,533	220,952
Business administration risk (R ₈)	7,493	7,972
Catastrophe risk of non-life insurance contracts (R ₉)	54,326	56,410
(C) Consolidated solvency margin ratio	873.1%	803.7%
$[(A)/\{(B) \times 1/2\}] \times 100$		

(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.