Mitsui Sumitomo Insurance Co., Ltd.

Consolidated Solvency Margin Ratio as of March 31, 2020

(Yen in millions)

	March 31, 2019	March 31, 2020
(A) Total amount of solvency margin	2,743,601	2,716,180
Total net assets	433,946	640,005
Reserve for price fluctuation	76,003	19,007
Contingency reserve	60	-
Catastrophe reserve	527,790	550,227
General bad debt reserve	111	86
Net unrealized gains/(losses) on investments in securities and net deferred gains/(losses) on hedges (Prior to tax effect deductions)	1,107,586	864,951
Net unrealized gains/(losses) on land	62,423	69,124
Total amount of unrecognized actuarial gains/(losses) and unrecognized past service costs (Prior to tax effect deductions)	(6,601)	(18,832)
Excess of policyholders' contract deposits (a)	-	-
Subordinated debts, etc. (b)	487,093	487,093
Amount excluded from the margin, out of (a) and (b)	-	-
Total margin relating to small amount and short term insurance provider	-	-
Deductions	172,464	132,319
Others	227,650	236,835
(B) Total amount of risks $\sqrt{\left(\sqrt{R_1^2 + R_2^2} + R_3 + R_4\right)^2 + \left(R_5 + R_6 + R_7\right)^2} + R_8 + R_9$	769,193	737,738
General insurance risk of non-life insurance contracts (R_1)	204,879	210,083
Insurance risk of life insurance contracts (R_2)	-	403
Insurance risk of third sector insurance contracts (R_3)	-	315
Insurance risk relating to small amount and short term insurance provider (R_4)	-	-
Assumed interest rate risk (R_5)	14,611	13,475
Minimum guarantee risk of life insurance contracts (R_6)	5,431	4,754
Asset management risk (R_7)	550,129	502,801
Business administration risk (R_8)	18,399	17,797
Catastrophe risk of non-life insurance contracts (R_9)	144,928	158,032
(C) Consolidated solvency margin ratio $[(A)/\{(B) \times 1/2\}] \times 100$	713.3%	736.3%

(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.