

Consolidated Solvency Margin Ratio as of March 31, 2020

(Yen in millions)

	March 31, 2019	March 31, 2020
(A) Total amount of solvency margin	1,184,723	1,154,579
Total net assets	333,633	345,427
Reserve for price fluctuation	13,373	30,088
Contingency reserve	780	906
Catastrophe reserve	288,537	299,132
General bad debt reserve	231	123
Net unrealized gains/(losses) on investments in securities and net deferred gains/(losses) on hedges (Prior to tax effect deductions)	456,913	339,852
Net unrealized gains/(losses) on land	23,515	27,485
Total amount of unrecognized actuarial gains/(losses) and unrecognized past service costs (Prior to tax effect deductions)	13,862	8,170
Excess of policyholders' contract deposits (a)	-	-
Subordinated debts, etc. (b)	13,200	58,800
Amount excluded from the margin, out of (a) and (b)	-	-
Total margin relating to small amount and short term insurance provider	-	-
Deductions	3,184	4,635
Others	43,859	49,228
(B) Total amount of risks	330,268	317,927
$\sqrt{(\sqrt{R_1^2 + R_2^2 + R_3 + R_4})^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$		
General insurance risk of non-life insurance contracts (R ₁)	116,759	121,229
Insurance risk of life insurance contracts (R ₂)	161	181
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)	7,283	6,634
Minimum guarantee risk of life insurance contracts (R ₆)	-	-
Asset management risk (R ₇)	202,045	179,489
Business administration risk (R ₈)	8,173	7,908
Catastrophe risk of non-life insurance contracts (R ₉)	82,405	87,895
(C) Consolidated solvency margin ratio	717.4%	726.3%
$[(A)/\{(B) \times 1/2\}] \times 100$		

(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.