

Consolidated Solvency Margin Ratio as of September 30, 2018

(Yen in millions)

	March 31, 2018	September 30, 2018
(A) Total amount of solvency margin	2,714,894	2,866,528
Total net assets	339,791	406,266
Reserve for price fluctuation	71,813	73,872
Contingency reserve	-	-
Catastrophe reserve	552,914	565,326
General bad debt reserve	156	374
Net unrealized gains/(losses) on investments in securities and net deferred gains/(losses) on hedges (Prior to tax effect deductions)	1,288,583	1,336,694
Net unrealized gains/(losses) on land	66,112	65,597
Total amount of unrecognized actuarial gains/(losses) and unrecognized past service costs (Prior to tax effect deductions)	(13,782)	(12,273)
Excess of policyholders' contract deposits (a)	-	-
Subordinated debts, etc. (b)	386,191	386,191
Amount excluded from the margin, out of (a) and (b)	-	-
Total margin relating to small amount and short term insurance provider	-	-
Deductions	170,561	165,191
Others	193,676	209,669
(B) Total amount of risks	809,237	798,286
$\sqrt{(\sqrt{R_1^2 + R_2^2} + R_3 + R_4)^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$		
General insurance risk of non-life insurance contracts (R ₁)	200,192	203,687
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)	15,571	15,362
Minimum guarantee risk of life insurance contracts (R ₆)	6,096	6,015
Asset management risk (R ₇)	587,784	579,315
Business administration risk (R ₈)	19,164	18,987
Catastrophe risk of non-life insurance contracts (R ₉)	148,582	145,009
(C) Consolidated solvency margin ratio [(A)/{(B)×1/2}]×100	670.9%	718.1%

(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.