

Consolidated Solvency Margin Ratio as of March 31, 2019

(Yen in millions)

	March 31, 2018	March 31, 2019
(A) Total amount of solvency margin	1,284,815	1,184,723
Total net assets	328,075	333,633
Reserve for price fluctuation	1,688	13,373
Contingency reserve	747	780
Catastrophe reserve	348,058	288,537
General bad debt reserve	199	231
Net unrealized gains/(losses) on investments in securities and net deferred gains/(losses) on hedges (Prior to tax effect deductions)	522,163	456,913
Net unrealized gains/(losses) on land	18,126	23,515
Total amount of unrecognized actuarial gains/(losses) and unrecognized past service costs (Prior to tax effect deductions)	10,248	13,862
Excess of policyholders' contract deposits (a)	-	-
Subordinated debts, etc. (b)	17,600	13,200
Amount excluded from the margin, out of (a) and (b)	-	-
Total margin relating to small amount and short term insurance provider	-	-
Deductions	2,503	3,184
Others	40,411	43,859
(B) Total amount of risks		
$\sqrt{(\sqrt{R_1^2 + R_2^2 + R_3 + R_4})^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$	319,689	330,268
General insurance risk of non-life insurance contracts (R ₁)	113,309	116,759
Insurance risk of life insurance contracts (R ₂)	139	161
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)	7,831	7,283
Minimum guarantee risk of life insurance contracts (R ₆)	-	-
Asset management risk (R ₇)	220,952	202,045
Business administration risk (R ₈)	7,972	8,173
Catastrophe risk of non-life insurance contracts (R ₉)	56,410	82,405
(C) Consolidated solvency margin ratio		
$[(A)/\{(B) \times 1/2\}] \times 100$	803.7%	717.4%

(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.