

Solvency margin ratio on a consolidated basis as of September 30, 2015

Solvency margin ratio (situation of the enhancement of the ability to pay for insurance claims, etc. of an insurance company and its subsidiary companies, etc.) on a consolidated basis of Tokio Marine & Nichido Fire Insurance Co., Ltd. as of September 30, 2015 is as follows.

(Yen in millions, except for %)

	As of March 31, 2015	As of September 30, 2015
(A) Total amount of solvency margin	4,416,640	4,288,985
Shareholders' equity less adjusting items	759,757	848,115
Price fluctuation reserve	76,134	77,896
Contingency reserve	774	1,202
Catastrophe loss reserve	957,252	1,021,315
General allowance for doubtful accounts	1,568	1,472
Net unrealized gains (losses) on securities (prior to tax effect deductions)	2,264,446	1,934,549
Net unrealized gains (losses) on land	177,957	193,639
Total amount of unrecognized actuarial difference and unrecognized prior service costs (prior to tax effect deductions)	(26,319)	(23,244)
Excess of premium reserve, etc.	-	-
Subordinated debt, etc.	-	-
Amounts within "Excess of premium reserve, etc." and "Subordinated debt, etc." not calculated into the margin	-	-
Total margin of Small Amount and Short Term Insurer	-	-
Deductions	36,067	33,637
Others	241,136	267,675
(B) Total amount of risks $\sqrt{(\sqrt{(R_1^2 + R_2^2)} + R_3 + R_4)^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$	1,310,923	1,381,997
General insurance risk on property and casualty insurance contracts (R ₁)	259,815	268,310
Life insurance risk (R ₂)	39,092	36,246
Third sector insurance risk (R ₃)	-	-
Insurance risk of Small Amount and Short Term Insurer (R ₄)	-	-
Assumed interest risk (R ₅)	25,588	25,542
Minimum guarantee risk on life insurance contracts (R ₆)	-	-
Asset management risk (R ₇)	907,353	968,297
Business administration risk (R ₈)	30,853	32,359
Catastrophe risk on property and casualty insurance contracts (R ₉)	310,836	319,579
(C) Solvency margin ratio on a consolidated basis $[(A)/\{(B) \times 1/2\}] \times 100$	673.8%	620.6%

(Note) "Solvency margin ratio" on a consolidated basis is calculated in accordance with Article 86 paragraph 2 and Article 88 of the Enforcement Regulation of the Insurance Business Act and with Ordinance No.23 issued by Financial Service Agency in 2011. The ratio is one of the indicators for the regulatory authorities to supervise corporate groups headed by an insurance company or an insurance holding company. A ratio exceeding 200% indicates adequate ability to meet payments of insurance claims.