

**Solvency margin ratio on a consolidated basis as of September 30, 2016**

Solvency margin ratio on a consolidated basis (situation of the enhancement of the ability to pay for insurance claims, etc. of an insurance company and its subsidiary companies, etc.) of Tokio Marine & Nichido Fire Insurance Co., Ltd. as of September 30, 2016 is as follows.

(Yen in millions, except for %)

	As of March 31, 2016	As of September 30, 2016
(A) Total amount of solvency margin	3,683,846	4,054,510
Shareholders' equity less adjusting items	331,298	645,249
Price fluctuation reserve	81,060	83,552
Contingency reserve	2,974	4,139
Catastrophe loss reserve	1,051,399	1,075,022
General allowance for doubtful accounts	1,399	1,484
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions (prior to tax effect deductions)	1,746,681	1,733,626
Unrealized gains (losses) on land	193,956	205,643
Total amount of unrecognized actuarial difference and unrecognized prior service costs (prior to tax effect deductions)	(18,896)	(14,459)
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	37,119	58,950
Others	331,094	379,200
(B) Total amount of risks $\sqrt{(\sqrt{(R_1^2 + R_2^2)} + R_3 + R_4)^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$	1,158,459	1,056,708
General insurance risk on property and casualty insurance contracts (R <sub>1</sub> )	309,981	291,556
Life insurance risk (R <sub>2</sub> )	49,827	12,141
Third sector insurance risk (R <sub>3</sub> )	-	31,699
Insurance risk of Small Amount and Short Term Insurer (R <sub>4</sub> )	-	-
Assumed interest rate risk (R <sub>5</sub> )	24,447	24,197
Minimum guarantee risk on life insurance contracts (R <sub>6</sub> )	-	-
Asset management risk (R <sub>7</sub> )	696,919	687,762
Business administration risk (R <sub>8</sub> )	28,488	25,922
Catastrophe risk on property and casualty insurance contracts (R <sub>9</sub> )	343,242	248,772
(C) Solvency margin ratio on a consolidated basis [(A)/{(B)×1/2}]×100	635.9%	767.3%

(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 the Financial Services Agency in 2011. The ratio is one of the indicators used by the regulatory authority to supervise corporate groups headed by an insurance company. Ratio exceeding 200% indicates that the ability to meet payments of insurance claims, etc. is adequate.