

Solvency margin ratio on a consolidated basis as of March 31, 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 March 31, 2015 is as follows.

(Yen in millions, except for %)

	As of March 31, 2014	As of March 31, 2015
(A) Total amount of solvency margin	3,508,127	4,416,640
Shareholders' equity less adjusting items	628,999	759,757
Price fluctuation reserve	72,560	76,134
Contingency reserve	26	774
Catastrophe loss reserve	892,003	957,252
General allowance for doubtful accounts	1,606	1,568
Net unrealized gains (losses) on securities (prior to tax effect deductions)	1,610,087	2,264,446
Net unrealized gains (losses) on land	155,463	177,957
Total amount of unrecognized actuarial difference and unrecognized prior service costs (prior to tax effect deductions)	(32,231)	(26,319)
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	52,936	36,067
Others	232,549	241,136
(B) Total amount of risks $\sqrt{(\sqrt{(R_1^2 + R_2^2)} + R_3 + R_4)^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$	1,115,980	1,310,923
General insurance risk on property and casualty insurance contracts (R ₁)	237,619	259,815
Life insurance risk (R ₂)	29,605	39,092
Third sector insurance risk (R ₃)	-	-
Insurance risk of Small Amount and Short Term Insurer (R ₄)	-	-
Assumed interest risk (R ₅)	26,615	25,588
Minimum guarantee risk on life insurance contracts (R ₆)	-	-
Asset management risk (R ₇)	728,978	907,353
Business administration risk (R ₈)	26,554	30,853
Catastrophe risk on property and casualty insurance contracts (R ₉)	296,795	310,836
(C) Solvency margin ratio on a consolidated basis $[(A)/\{(B) \times 1/2\}] \times 100$	628.7%	673.8%

(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.