

Solvency margin ratio on a consolidated basis as of March 31, 2024

Solvency margin ratio on a consolidated basis (sufficiency of solvency of insurance company and its subsidiaries, etc. to fulfill payment obligations such as insurance claims) of Tokio Marine & Nichido Fire Insurance Co., Ltd. as of March 31, 2024 is as follows.

(Yen in millions)

	As of March 31, 2023	As of March 31, 2024
(A) Total amount of solvency margin	4,252,880	5,869,095
Shareholders' equity less adjusting items	1,037,690	1,343,483
Reserve for price fluctuation	108,000	114,165
Contingency reserve	9,578	12,279
Catastrophe loss reserve	1,081,242	1,050,430
General allowance for doubtful accounts	3,158	2,778
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions before tax effect deductions	1,274,054	2,536,972
Unrealized gains (losses) on land	281,592	291,421
Total amount of unrecognized actuarial difference and unrecognized prior service costs before tax effect deductions	(21,156)	(2,137)
Excess of premium reserve, etc.	-	-
Subordinated debt, etc.	200,000	200,000
Amounts within "Excess of premium reserve, etc." and "Subordinated debt, etc." not calculated into the margin	-	-
Unrealized gains (losses) on insurance liability of overseas subsidiaries	-	(662)
Total margin of Small Amount and Short Term Insurers	0	0
Deductions	155,602	150,742
Others	434,321	471,104
(B) Total amount of risks $\sqrt{(\sqrt{(R_1^2 + R_2^2)} + R_3 + R_4)^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$	1,523,448	1,928,459
General insurance risk on non-life insurance contracts (R ₁)	471,872	512,129
Life insurance risk (R ₂)	23,661	25,256
Third sector insurance risk (R ₃)	59,590	68,860
Insurance risk of Small Amount and Short Term Insurers (R ₄)	0	0
Assumed interest rate risk (R ₅)	13,762	12,325
Minimum guarantee risk on life insurance contracts (R ₆)	-	-
Asset management risk (R ₇)	940,371	1,296,395
Business administration risk (R ₈)	38,044	47,280
Catastrophe risk on non-life insurance contracts (R ₉)	392,951	449,040
(C) Solvency margin ratio on a consolidated basis [(A)/{(B)×1/2}]×100	558.3%	608.6%

(Note) "Solvency margin ratio on a consolidated basis" is calculated in accordance with Article 86-2 and 88 of the Ordinance for Enforcement of the Insurance Business Act and Public Notice No.23 issued by the Financial Services Agency in 2011. The ratio is one of the objective indicators used by the regulatory authority to supervise corporate groups headed by an insurance company. A ratio exceeding 200% indicates sufficient solvency to fulfill payment obligations such as insurance claims.