

Solvency margin ratio on a consolidated basis as of June 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 holding company and its subsidiary companies, etc.) of Tokio Marine Holdings, Inc. as of June 30, 2016 is as follows.

(Yen in millions, except for %)

	As of March 31, 2016	As of June 30, 2016
(A) Total amount of solvency margin	4,793,890	4,958,180
Shareholders' equity less adjusting items	710,374	884,260
Price fluctuation reserve	88,144	89,272
Contingency reserve	48,068	47,705
Catastrophe loss reserve	1,108,072	1,115,697
General allowance for doubtful accounts	1,876	1,929
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions (prior to tax effect deductions)	2,004,174	1,956,153
Unrealized gains (losses) on land	193,708	189,490
Total amount of unrecognized actuarial difference and unrecognized prior service costs (prior to tax effect deductions)	(24,411)	(21,689)
Excess of premium reserve, etc.	286,376	292,802
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	71	71
Deductions	62,490	76,036
Others	439,924	478,521
(B) Total amount of risks $\sqrt{((R_1^2 + R_2^2) + R_3 + R_4)^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$	1,211,446	1,070,801
General insurance risk on property and casualty insurance contracts (R_1)	324,557	316,370
Life insurance risk (R_2)	64,482	61,958
Third sector insurance risk (R_3)	4,655	4,769
Insurance risk of Small Amount and Short Term Insurer (R_4)	25	25
Assumed interest rate risk (R_5)	30,547	30,212
Minimum guarantee risk on life insurance contracts (R_6)	2,995	3,036
Asset management risk (R_7)	727,747	664,922
Business administration risk (R_8)	30,087	27,079
Catastrophe risk on property and casualty insurance contracts (R_9)	349,385	272,691
(C) Solvency margin ratio on a consolidated basis $[(A)/\{(B) \times 1/2\}] \times 100$	791.4%	926.0%

- (Notes) 1. "Solvency margin ratio on a consolidated basis" is calculated in accordance with Article 210 paragraph 11, section 3 and section 4 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 for the regulatory authorities to supervise corporate groups headed by an insurance holding company. A ratio exceeding 200% indicates adequate ability to meet payments of insurance claims.
2. Solvency margin ratio as of June 30, 2016 was calculated by methods which the company regarded as reasonable in conformity with the Insurance Business Act and other related regulations. The calculation was partially based on simplified methods including but not limited to use of data as of March 31, 2016.