

Solvency margin ratio on a consolidated basis as of June 30, 2021

Solvency margin ratio on a consolidated basis (sufficiency of solvency of insurance holding company and its subsidiaries, etc. to fulfill payment obligations such as insurance claims) of Tokio Marine Holdings, Inc. as of June 30, 2021 is as follows.

(Yen in millions)

	As of March 31, 2021	As of June 30, 2021
(A) Total amount of solvency margin	5,828,058	5,954,797
Shareholders' equity less adjusting items	955,539	1,084,174
Reserve for price fluctuation	128,006	130,586
Contingency reserve	59,927	60,152
Catastrophe loss reserve	1,041,989	1,058,873
General allowance for doubtful accounts	2,964	2,963
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions before tax effect deductions	2,447,869	2,368,005
Unrealized gains (losses) on land	263,397	263,692
Total amount of unrecognized actuarial difference and unrecognized prior service costs before tax effect deductions	(19,187)	(18,302)
Excess of premium reserve, etc.	302,741	300,498
Subordinated debt, etc.	300,000	300,000
Amounts within "Excess of premium reserve, etc." and "Subordinated debt, etc." not calculated into the margin	-	-
Total margin of Small Amount and Short Term Insurers	406	406
Deductions	145,434	145,434
Others	489,837	549,181
(B) Total amount of risks $\sqrt{(\sqrt{(R_1^2 + R_2^2)} + R_3 + R_4)^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$	1,300,045	1,300,181
General insurance risk on non-life insurance contracts (R ₁)	374,354	375,394
Life insurance risk (R ₂)	31,951	31,941
Third sector insurance risk (R ₃)	44,779	44,813
Insurance risk of Small Amount and Short Term Insurers (R ₄)	10	10
Assumed interest rate risk (R ₅)	23,209	22,820
Minimum guarantee risk on life insurance contracts (R ₆)	2,206	2,203
Asset management risk (R ₇)	880,380	872,492
Business administration risk (R ₈)	32,515	32,514
Catastrophe risk on non-life insurance contracts (R ₉)	268,884	276,071
(C) Solvency margin ratio on a consolidated basis [(A)/{(B)×1/2}]×100	896.5%	915.9%

(Note) 1. "Solvency margin ratio on a consolidated basis" is calculated in accordance with Article 210-11-3 and 210-11-4 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 holding company. A ratio exceeding 200% indicates sufficient solvency to fulfill payment obligations such as insurance claims.

2. Solvency margin ratio as of June 30, 2021 is calculated partially based on data as of March 31, 2021.