

Solvency margin ratio on a consolidated basis as of September 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 September 30, 2021 is as follows.

(Yen in millions)

	As of March 31, 2021	As of September 30, 2021
(A) Total amount of solvency margin	5,828,058	6,110,978
Shareholders' equity less adjusting items	955,539	1,089,275
Reserve for price fluctuation	128,006	133,140
Contingency reserve	59,927	60,692
Catastrophe loss reserve	1,041,989	1,083,709
General allowance for doubtful accounts	2,964	2,656
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions before tax effect deductions	2,447,869	2,499,927
Unrealized gains (losses) on land	263,397	260,284
Total amount of unrecognized actuarial difference and unrecognized prior service costs before tax effect deductions	(19,187)	(17,855)
Excess of premium reserve, etc.	302,741	298,564
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	429
Deductions	145,434	163,352
Others	489,837	563,508
(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	1,396,275
General insurance risk on non-life insurance contracts (R ₁)	374,354	392,905
Life insurance risk (R ₂)	31,951	33,225
Third sector insurance risk (R ₃)	44,779	48,472
Insurance risk of Small Amount and Short Term Insurers (R ₄)	10	10
Assumed interest rate risk (R ₅)	23,209	22,817
Minimum guarantee risk on life insurance contracts (R ₆)	2,206	2,186
Asset management risk (R ₇)	880,380	943,911
Business administration risk (R ₈)	32,515	34,794
Catastrophe risk on non-life insurance contracts (R ₉)	268,884	296,182
(C) Solvency margin ratio on a consolidated basis $[(A)/\{(B) \times 1/2\}] \times 100$	896.5%	875.3%

(Note) "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.