

Solvency margin ratio on a consolidated basis as of March 31, 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 March 31, 2016 is as follows.

(Yen in millions, except for %)

	As of March 31, 2015	As of March 31, 2016
(A) Total amount of solvency margin	5,336,308	4,793,890
Shareholders' equity less adjusting items	1,135,707	710,374
Price fluctuation reserve	82,945	88,144
Contingency reserve	48,380	48,068
Catastrophe loss reserve	1,010,824	1,108,072
General allowance for doubtful accounts	2,867	1,876
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions (prior to tax effect deductions)	2,360,278	2,004,174
Unrealized gains (losses) on land	177,023	193,708
Total amount of unrecognized actuarial difference and unrecognized prior service costs (prior to tax effect deductions)	(31,142)	(24,411)
Excess of premium reserve, etc.	254,890	286,376
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	82	71
Deductions	55,301	62,490
Others	349,751	439,924
(B) Total amount of risks $\sqrt{(\sqrt{(R_1^2 + R_2^2)} + R_3 + R_4)^2 + (R_5 + R_6 + R_7)^2} + R_8 + R_9$	1,365,965	1,211,446
General insurance risk on property and casualty insurance contracts (R ₁)	275,627	324,557
Life insurance risk (R ₂)	53,215	64,482
Third sector insurance risk (R ₃)	4,562	4,655
Insurance risk of Small Amount and Short Term Insurer (R ₄)	40	25
Assumed interest risk (R ₅)	31,892	30,547
Minimum guarantee risk on life insurance contracts (R ₆)	3,335	2,995
Asset management risk (R ₇)	938,638	727,747
Business administration risk (R ₈)	32,519	30,087
Catastrophe risk on property and casualty insurance contracts (R ₉)	318,644	349,385
(C) Solvency margin ratio on a consolidated basis $[(A)/\{(B) \times 1/2\}] \times 100$	781.3%	791.4%

(Note) "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 Financial Service Agency in 2011. The ratio is one of the indicators 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.

The ratio as of March 31, 2015 is calculated in accordance with the regulations prior to revision by Ordinance No. 16 issued by Cabinet Office in 2016 and Ordinance No. 10 issued by Financial Service Agency in 2016. The figure of "Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions (prior to tax effect deductions)" as of March 31, 2015 is the figure calculated based on the regulations prior to the revision.