

FACT BOOK

FACT BOOK 2009-2010

GENERAL INSURANCE IN JAPAN



THE GENERAL INSURANCE ASSOCIATION OF JAPAN

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Key Figures of the General Insurance Business for Fiscal 2009

1

The Number of General Insurance Companies

Total: **51**
 Domestic insurers: **29**
 Foreign insurers: **22**

A total of 29 domestic and 22 foreign insurers are operating.

As of October 1, 2010, a total of 51 general insurance companies were operating in Japan; a total of 29 companies were licensed as domestic insurers, including 5 foreign capital domestic insurers, while 22 companies were licensed as foreign insurers.

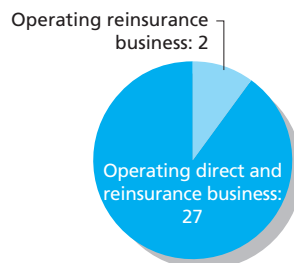
The number of people working in general insurance companies, including management, sales staff and temporary staff, was 93,182 as of April 1, 2010.

Domestic insurers: Licensed as domestic insurer

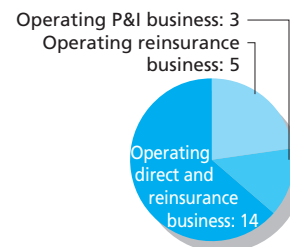
Domestic insurers with foreign capital: Licensed as domestic insurer which includes foreign capital of over 50%.

Foreign insurer: Licensed on a branch or agent basis

Domestic insurers



Foreign insurers



2

The Number of Agencies and Sales Staff of Agencies

The number of agencies
 (at the end of March 2010):
207,903

The number of sales staff
 in agencies (at the end of
 March 2010):
2,160,029

While the number of agencies decreased by 4.6%, the number of sales staff increased by 0.2%.

There were 207,903 general insurance agencies of domestic and foreign general insurers and 2,160,029 sales staff were engaged in the agency business.

These agencies shared 92.3% of the written direct premiums in fiscal 2009.

The number of agencies



The number of sales staff in agencies



General insurance agency: A general insurance agency is commissioned by an insurance company, and markets insurance products to customers.

3 Premiums

Direct premiums:

7,783.7 billion yen

Net premiums:

6,971.1 billion yen

Direct premiums: gross direct premiums (including the savings portion of maturity-refund type insurance premiums) – various returns other than maturity refunds (including return premiums for cancellation, no-claim returns, and return premiums resulting from the decrease of insurable risks)

Net premiums: direct premiums written + inward reinsurance net premiums – outward reinsurance net premiums – savings portion of maturity-refund type insurance premiums

Direct premiums decreased by 2.5%, and net premiums also decreased by 2.7%.

The total of direct premiums, including the savings portion thereof, written in fiscal 2009 was 7,783.7 billion yen, down 2.5%, and the total of net premiums written was 6,971.1 billion yen, down 2.7% (The figures are the totals for GIAJ member companies.).

■ Direct premiums



■ Net premiums



4 The Amount of Claims Paid

Net claims paid:

4,367.9 billion yen

Net claims: direct claims paid + inward reinsurance net claims paid – outward reinsurance claims received

The amount of net claims paid decreased by 0.7% over the previous year.

Net claims paid on all classes of insurance business during fiscal 2009 amounted to 4,367.9 billion yen, decreased by 0.7% compared with the previous term due to decreased claims payments for Compulsory Automobile Liability Insurance (CALI) and marine and inland transit insurance, while those for automobile insurance and personal accident insurance increased respectively. (The figures are the totals for GIAJ member companies.).

■ Net claims paid



5 Assets and Investment

Total assets:

31,495.6 billion yen

Working assets:

28,609.0 billion yen

Total assets: Total assets are the total of working assets and other assets (such as amounts due from the agency business, amounts due from other domestic insurance companies for reinsurance, etc.)

Working assets: Working assets include deposits, call loans, monetary receivables bought, money trusts, securities, loans, real estate, etc.

Total assets increased by 5.2%, and working assets also increased by 7.9%.

The total assets increased to 31,495.6 billion yen, up 5.2%, reflecting a rise in market value of securities. Working assets also increased to 28,609.0 billion yen, up 7.9% (The figures are the totals for GIAJ member companies.).

■ Total assets



■ Working assets



6 Ordinary Profits and Net Profits for the Current Year

Ordinary profits:

350.5 billion yen

Net profits:

206.8 billion yen

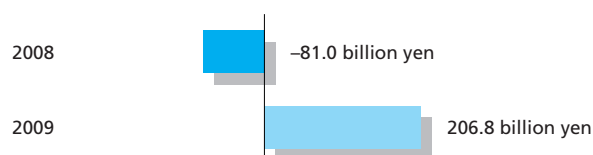
As for ordinary profits and net profits for the current year, they showed an increase and amounted to 350.5 billion yen and 206.8 billion yen respectively.

Ordinary profits for fiscal 2009 increased to 350.5 billion yen, due to decrease in expenses incurred for asset investment, and net profits after tax also increased to 206.8 billion yen accordingly (The figures are the totals for GIAJ member companies.).

■ Ordinary profits



■ Net profits



Ordinary profit: The total of (underwriting income – expenses) + (investment income – expenses) – (other ordinary expenses)

Net profit: The total of ordinary profits including special profits or losses minus corporate income taxes, corporate resident taxes, etc.

7 Loss Ratio and Operating Expenses Ratio

Loss ratio:

68.1%

Operating expenses ratio:

35.0%

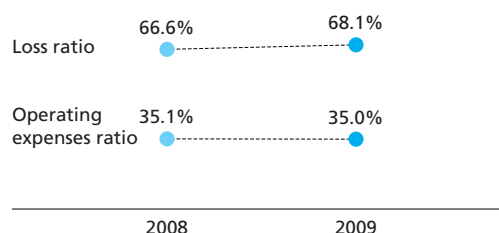
The loss ratio increased by 1.5 percentage points, while the operating expenses ratio decreased by 0.1 percentage point.

The loss ratio increased by 1.5 percentage points to 68.1% due to the decrease in the amount of CALI premiums. The operating expenses ratio decreased by 0.1 percentage point to 35.0% in fiscal 2009 (The figures are the totals for GIAJ member companies.).

Loss ratio: The ratio of claims paid plus loss adjustment expenses to net premiums written

Operating expenses ratio: The ratio of agency commission and brokerage plus operating and general administrative expenses on underwriting to net premiums written

Loss ratio / Operating expenses ratio



8 Ownership of General Insurance Policies

Earthquake: **46.5%**
(at the end of March 2010)

Voluntary Automobile
(bodily injury liability):

72.8%

(at of the end of March 2009)

Voluntary Automobile
(property damage liability):

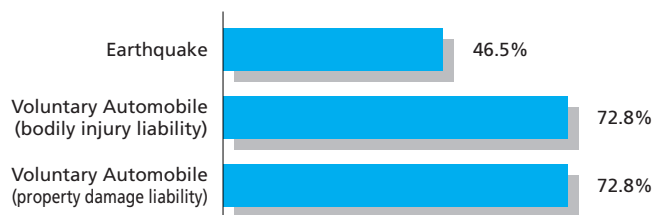
72.8%

(as of the end of March 2009)

Ownership of Earthquake Insurance on Dwelling Risks, which represents the ratio of the number of earthquake insurance policies to the number of fire insurance policies effected, increased to 46.5% in fiscal 2009.

Ownership of general insurance policies by line are as follows:

Ownership by line



Ownership of Earthquake Insurance on Dwelling Risks Policies

Fiscal Year	2005	2006	2007	2008	2009
National Average	40.3%	41.7%	44.0%	45.0%	46.5%

Source: The Non-Life Insurance Rating Organization of Japan.

Ownership of Voluntary Automobile Insurance

Fiscal Year	2004	2005	2006	2007	2008
Number of Registered Automobiles (thousand)	78,279	78,992	79,236	79,080	78,800
Bodily Injury Liability	71.0%	71.2%	71.5%	72.2%	72.8%
Property Damage Liability	70.8%	71.1%	71.5%	72.2%	72.8%
Passengers' Personal Accident	59.6%	59.0%	58.6%	58.6%	58.3%
Physical Damage	36.3%	37.3%	38.3%	39.5%	40.3%

Source: The Non-Life Insurance Rating Organization of Japan.



Statistics

1. Income Statement

(in billions of yen & %)

Item	Fiscal 2008		Fiscal 2009	
	Amount	Growth	Amount	Growth
Ordinary Profit and Loss				
Underwriting Income	8,682.3	-0.5	8,542.7	-1.6
Net Premiums Written	7,161.8	-4.1	6,971.1	-2.7
Savings Portion of Maturity-refund type Insurance Premiums	676.3	-13.2	590.4	-12.7
Underwriting Expenses	7,392.7	-2.2	7,263.3	-1.8
Net Claims Paid	4,399.5	1.4	4,367.9	-0.7
Loss Adjustment Expenses	368.9	3.0	377.3	2.3
Agency Commissions and Brokerage	1,246.0	-0.6	1,218.6	-2.2
Maturity Refunds to Policyholders	1,204.7	-10.3	1,196.8	-0.7
Net Provision for / Net Reversal of Outstanding Loss Reserves	20.0	-81.2	-109.2	-646.8
Net Provision for / Net Reversal of Underwriting Reserves	-456.1	—	-543.6	—
Investment Income	661.9	-20.9	572.5	-13.5
Interest and Dividend Income	592.8	-19.9	501.8	-15.4
Profits on Sales of Securities	289.5	-3.0	223.0	-23.0
Investment Expenses	857.2	170.0	200.9	-76.6
Losses on Sales of Securities	104.4	53.7	69.7	-33.2
Losses on Revaluation of Securities	512.7	641.0	47.4	-90.7
Operating and General Administrative Expenses	1,349.2	3.2	1,296.2	-3.9
Operating and General Administrative Expenses on Underwriting	1,268.5	3.7	1,220.0	-3.8
Other Ordinary Profits and Losses	-3.0	-225.6	-4.2	—
Ordinary Profits	-257.9	-168.2	350.5	—
Underwriting Profits	16.2	—	54.3	234.6
Special Profits and Losses Balance	151.9	—	-35.6	-123.4
Profits for the Current Year before Corporate Taxes	-106.0	-130.1	315.0	—
Corporate Income Taxes and Corporate Resident Taxes	69.6	-62.4	72.5	4.3
Adjustments in Corporate Income Taxes, etc.	-94.6	—	35.6	—
Total Income Taxes	-25.0	—	108.2	—
Net Profits for the Current Year	-81.0	-134.2	206.8	—

2. Abridged Balance Sheet

<Assets>

(in billions of yen & %)

Item	Fiscal 2008		Fiscal 2009	
	Amount	Share	Amount	Share
Deposits	889.6	3.0	933.5	3.0
Call Loans	577.5	1.9	334.3	1.1
Receivables under Resales Agreements	414.9	1.4	228.5	0.7
Monetary Receivables Bought	404.8	1.4	1,295.2	4.1
Money Trusts	95.3	0.3	113.0	0.3
Securities	20,466.8	68.4	22,232.1	70.6
National Government Bonds	4,393.6	14.7	4,956.0	15.7
Local Government Bonds	654.8	2.2	610.4	1.9
Corporate Bonds	3,915.3	13.1	3,809.3	12.1
Stocks	6,146.9	20.5	7,452.7	23.7
Foreign Securities	4,868.7	16.3	4,963.9	15.8
Other Securities	487.5	1.6	439.8	1.4
Loans	2,550.6	8.5	2,373.8	7.5
Real Estate	1,117.3	3.7	1,098.4	3.5
Total Working Assets	26,516.8	88.6	28,609.0	90.8
Other Assets	3,424.3	11.4	2,886.6	9.2
Total Assets	29,941.1	100.0	31,495.6	100.0

(Notes) "Other Assets" is composed of 1) Cash in hand, 2) Furniture and fixtures, 3) Construction in progress, 4) Amounts due from agency business, 5) Amounts due from other domestic companies for reinsurance, 6) Customer's liability for acceptance and guarantee, 7) Deferred tax assets, and 8) Miscellaneous.

<Liabilities and Equities>

(in billions of yen & %)

Item	Fiscal 2008		Fiscal 2009	
	Amount	Share	Amount	Share
Underwriting Reserves	22,740.4	76.0	22,086.9	70.1
Outstanding Loss Reserves	3,260.3	10.9	3,150.9	10.0
Underwriting Reserves	19,480.1	65.1	18,936.0	60.1
Other Liabilities	2,941.7	9.8	3,867.3	12.3
Total Liabilities	25,682.1	85.8	25,954.2	82.4
Capital	873.5	2.9	899.2	2.9
Suspense Receipts on Capital Subscriptions	—	—	—	—
Additional Paid in Capital	510.9	1.7	524.0	1.7
Earned Surplus	1,651.3	5.5	1,709.4	5.4
Earned Surplus Carried Forward	27.6	0.1	215.1	0.7
Treasury Stock	-75.1	-0.3	-19.1	-0.1
Unrealized Gain on Securities, Net of Income Taxes	1,279.1	4.3	2,420.4	7.7
Deferred Gains and Losses on Hedge Transactions	30.2	0.1	20.6	0.0
Land and Revaluation Excess	-12.8	-0.0	-15.6	-0.0
Stock Acquisition Right	2.1	0.0	2.5	0.0
Total Equities	4,259.0	14.2	5,541.4	17.6
Total Liabilities and Equities	29,941.1	100.0	31,495.6	100.0

(Notes) "Other Liabilities" consists of 1) Amounts due to other domestic insurance companies for reinsurance, 2) Accrued taxes, 3) Convertible bonds, 4) Reserves for bad debts and for retirement allowance, 5) Acceptance and guarantee, and 6) Miscellaneous.

3. Direct Premiums by Line

Class of Business	Fiscal 2000		Fiscal 2001		Fiscal 2002		Fiscal 2003	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	1,583,618	-9.2	1,507,526	-4.8	1,493,409	-0.9	1,471,055	-1.5
Maturity-refund type	566,342	-21.6	478,285	-15.5	452,097	-5.5	390,256	-13.7
Voluntary Automobile	3,649,981	1.4	3,676,513	0.7	3,605,362	-1.9	3,553,918	-1.4
Maturity-refund type	13,536	347.8	14,757	9.0	12,942	-12.3	10,183	-21.3
Personal Accident	1,831,264	-10.7	1,625,266	-11.2	1,578,112	-2.9	1,485,479	-5.9
Maturity-refund type	1,226,984	-14.2	1,041,031	-15.2	994,982	-4.4	900,915	-9.5
Miscellaneous Casualty	758,578	3.4	783,911	3.3	779,889	-0.5	776,931	-0.4
Maturity-refund type	47,422	19.3	27,874	-41.2	17,958	-35.6	12,279	-31.6
Burglary	28,325	2.6	26,288	-7.2	23,565	-10.4	20,343	-13.7
Glass	2,431	-8.8	2,178	-10.4	1,991	-8.6	1,838	-7.7
Aviation	14,625	6.8	38,463	163.0	51,358	33.5	48,103	-6.3
Windstorm & Flood	329	-1.8	250	-24.2	247	-1.0	252	2.1
Guarantee	13,422	-7.0	16,698	24.4	12,887	-22.8	11,026	-14.4
Credit	20,052	38.5	25,632	27.8	31,326	22.2	30,568	-2.4
Workers' Accident Compensation Liability	98,371	3.8	85,157	-13.4	79,695	-6.4	75,685	-5.0
Maturity-refund type	24,530	27.0	13,853	-43.5	12,687	-8.4	10,746	-15.3
Boiler & Turbo-set	2,657	-1.5	2,602	-2.0	2,395	-8.0	2,528	5.6
Livestock	2,883	1.0	2,672	-7.3	3,047	14.0	3,007	-1.3
General Liability	309,747	1.5	332,680	7.4	334,445	0.5	356,603	6.6
Machinery & Erection	37,085	-1.2	36,181	-2.4	33,734	-6.8	32,261	-4.4
Shipowners' Liability for Passengers' Personal Accident	998	-7.2	830	-16.8	842	1.5	814	-3.3
Contractors' All Risks	35,345	-0.5	35,322	-0.1	34,375	-2.7	34,450	0.2
Atomic Energy	11,024	-1.9	10,318	-6.4	11,065	7.2	10,874	-1.7
Movables Comprehensive	122,380	3.3	121,913	-0.4	120,005	-1.6	113,212	-5.7
Maturity-refund type	1,931	-44.8	949	-50.8	589	-37.9	305	-48.2
Miscellaneous Pecuniary Loss	58,904	15.1	46,727	-20.7	38,912	-16.7	35,367	-9.1
Maturity-refund type	20,962	23.8	13,071	-37.6	4,682	-64.2	1,228	-73.8
Pet	—	—	—	—	—	—	—	—
Marine and Inland Transit	250,478	-0.4	250,727	0.1	251,189	0.2	258,862	3.1
Marine Hull	57,035	-4.5	63,072	10.6	57,957	-8.1	59,136	2.0
Marine Cargo	128,512	0.5	124,143	-3.4	130,442	5.1	134,959	3.5
Inland Transit	64,931	1.7	63,512	-2.2	62,790	-1.1	64,767	3.1
Subtotal	8,073,919	-3.6	7,843,944	-2.8	7,707,962	-1.7	7,546,244	-2.1
Compulsory Automobile Liability	987,786	0.7	986,577	-0.1	1,190,710	20.7	1,201,820	0.9
Grand total	9,061,706	-3.2	8,830,521	-2.6	8,898,672	0.8	8,748,064	-1.7
Maturity-refund type	1,854,285	-15.5	1,561,947	-15.8	1,477,980	-5.4	1,313,633	-11.1

(Notes) 1. Figures include direct premiums written abroad.

2. Direct Premiums Written = Gross Direct Premiums (including the Savings Portion of Maturity-refund type Insurance return premiums resulting from the decrease of insurable risks)

(in millions of yen & %)

Fiscal 2004		Fiscal 2005		Fiscal 2006		Fiscal 2007		Fiscal 2008		Fiscal 2009	
Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
1,463,668	-0.5	1,486,268	1.5	1,455,136	-2.1	1,402,341	-3.6	1,402,328	-0.0	1,398,189	-0.3
363,916	-6.7	334,870	-8.0	298,214	-10.9	271,036	-9.1	253,328	-6.5	244,666	-3.4
3,503,607	-1.4	3,501,836	-0.1	3,518,501	0.5	3,495,243	-0.7	3,447,541	-1.4	3,413,500	-1.0
8,180	-19.7	7,433	-9.1	6,759	-9.1	6,064	-10.3	5,295	-12.7	2,823	-46.7
1,478,874	-0.4	1,377,460	-6.9	1,293,711	-6.1	1,205,443	-6.8	1,109,850	-7.9	1,025,566	-7.6
864,428	-4.0	737,305	-14.7	644,512	-12.6	559,501	-13.2	471,663	-15.7	390,755	-17.2
784,793	1.0	796,556	1.5	829,201	4.1	828,219	-0.1	853,364	3.0	892,174	4.5
8,628	-29.7	9,448	9.5	3,487	-63.1	3,846	10.3	1,417	-63.2	489	-65.5
18,784	-7.7	17,875	-4.8	15,587	-12.8	13,714	-12.0	12,915	-5.8	11,196	-13.3
1,692	-7.9	1,504	-11.1	1,302	-13.2	1,222	-6.1	1,045	-14.5	915	-12.4
35,738	-25.7	32,321	-9.6	30,050	-7.0	28,007	-6.8	23,654	-15.5	20,700	-12.5
366	45.1	411	12.3	325	-20.5	233	-28.3	260	11.6	197	-24.2
10,430	-5.4	10,713	2.7	11,913	11.3	11,511	-3.4	12,060	4.8	10,908	-9.6
30,263	-1.0	30,102	-0.5	31,999	6.3	33,879	5.9	38,928	14.9	39,306	1.0
70,090	-7.4	69,549	-0.8	63,305	-9.0	62,747	-0.9	58,363	-7.0	53,450	-8.4
6,471	-39.8	8,190	26.6	3,016	-63.2	3,585	18.9	1,284	-64.2	152	-88.2
2,412	-4.6	2,357	-2.3	2,360	0.1	2,351	-0.4	2,278	-3.1	2,368	4.0
3,204	6.6	3,182	-0.7	3,541	11.3	3,570	0.8	3,303	-7.5	2,940	-11.0
382,224	7.2	401,330	5.0	436,922	8.9	438,674	0.4	440,181	0.3	474,757	7.9
32,665	1.3	34,583	5.9	35,905	3.8	35,540	-1.0	34,325	-3.4	32,317	-5.8
759	-6.7	781	2.9	722	-7.2	743	2.9	733	-1.3	709	-3.3
36,404	5.7	36,993	1.6	40,607	9.8	41,079	1.2	40,792	-0.7	36,231	-11.2
10,426	-4.1	11,252	7.9	11,356	1.0	11,007	-3.1	10,301	-6.4	10,747	4.3
107,732	-4.8	103,934	-3.5	103,073	-0.8	100,030	-3.0	95,327	-4.7	86,359	-9.4
155	-48.9	41	-73.2	2	-94.9	0	-100.0	0	—	—	—
41,596	17.6	39,663	-4.6	40,148	1.2	43,816	9.1	72,368	65.2	100,000	38.2
2,001	62.9	1,215	-39.2	468	-61.4	257	-45.1	134	-47.9	334	149.3
—	—	—	—	—	—	—	—	6,441	—	8,980	39.4
269,166	4.0	284,759	5.8	303,734	6.7	317,485	4.5	298,629	-5.9	248,395	-16.8
58,680	-0.8	62,747	6.9	68,359	9.0	72,617	6.2	73,110	0.7	73,405	0.4
143,754	6.5	154,022	7.1	166,997	8.4	175,170	4.9	156,343	-10.7	112,392	-28.1
66,731	3.0	67,989	1.9	68,369	0.6	69,690	1.9	69,167	-0.8	62,590	-9.5
7,500,110	-1.1	7,446,881	-0.7	7,400,330	-0.6	7,248,776	-2.0	7,111,754	-1.9	6,977,872	-1.9
1,189,010	-1.1	1,144,548	-3.7	1,128,961	-1.4	1,041,570	-7.7	868,362	-16.6	805,834	-7.2
8,689,120	-0.7	8,591,430	-1.1	8,529,291	-0.7	8,290,346	-2.8	7,980,116	-3.7	7,783,706	-2.5
1,245,154	-5.2	1,089,058	-12.5	952,972	-12.5	840,447	-11.8	731,703	-12.9	638,733	-12.7

Premiums) - Various Returns other than Maturity Refunds (including return premiums for cancellation, no-claim returns, and

4. Net Premiums by Line

(in millions of yen & %)

Class of Business	Fiscal 2000		Fiscal 2001		Fiscal 2002		Fiscal 2003		Fiscal 2004	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	1,053,735	-4.7	1,031,948	-2.1	1,030,541	-0.1	1,044,867	1.4	1,030,154	-1.4
Voluntary Automobile	3,650,119	1.2	3,674,497	0.7	3,612,464	-1.7	3,558,174	-1.5	3,507,923	-1.4
Personal Accident	676,576	-4.1	645,609	-4.6	636,727	-1.4	631,012	-0.9	649,832	3.0
Miscellaneous Casualty	692,325	2.4	725,448	4.8	760,987	4.9	766,194	0.7	779,402	1.7
Marine and Inland Transit	231,463	-0.3	231,843	0.2	233,426	0.7	241,279	3.4	252,668	4.7
Marine Hull	44,901	-24.8	47,810	6.5	44,059	-7.8	44,709	1.5	44,504	-0.5
Marine Cargo	124,864	11.8	123,963	-0.7	130,732	5.5	136,367	4.3	146,003	7.1
Inland Transit	61,684	1.5	60,059	-2.6	58,624	-2.4	60,190	2.7	62,151	3.3
Subtotal	6,304,301	-0.3	6,309,424	0.1	6,274,207	-0.6	6,241,589	-0.5	6,220,035	-0.3
Compulsory Automobile Liability	569,835	0.9	572,171	0.4	1,011,677	76.8	1,195,639	18.2	1,191,923	-0.3
Grand total	6,874,136	-0.2	6,881,595	0.1	7,285,884	5.9	7,437,228	2.1	7,411,958	-0.3

(in millions of yen & %)

Class of Business	Fiscal 2005		Fiscal 2006		Fiscal 2007		Fiscal 2008		Fiscal 2009	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	1,080,722	4.9	1,085,433	0.4	1,055,422	-2.8	1,065,231	0.9	1,054,132	-1.0
Voluntary Automobile	3,507,502	0.0	3,525,092	0.5	3,502,621	-0.6	3,456,548	-1.3	3,426,637	-0.9
Personal Accident	666,360	2.5	669,354	0.4	659,263	-1.5	647,178	-1.8	639,568	-1.2
Miscellaneous Casualty	803,847	3.1	832,604	3.6	828,328	-0.5	834,096	0.7	826,385	-0.9
Marine and Inland Transit	270,257	7.0	288,652	6.8	299,379	3.7	275,559	-8.0	224,793	-18.4
Marine Hull	47,909	7.7	52,668	9.9	55,281	5.0	55,211	-0.1	56,898	3.1
Marine Cargo	158,657	8.7	171,672	8.2	178,192	3.8	154,666	-13.2	108,724	-29.7
Inland Transit	63,685	2.5	64,304	1.0	65,900	2.5	65,672	-0.3	59,162	-9.9
Subtotal	6,328,735	1.7	6,401,188	1.1	6,345,070	-0.9	6,278,665	-1.0	6,171,571	-1.7
Compulsory Automobile Liability	1,156,706	-3.0	1,135,988	-1.8	1,124,977	-1.0	883,171	-21.5	799,543	-9.5
Grand total	7,485,441	1.0	7,537,176	0.7	7,470,047	-0.9	7,161,836	-4.1	6,971,114	-2.7

(Note) Net Premiums Written = Direct Premiums Written + Inward Reinsurance Net Premiums – Outward Reinsurance Net Premiums – Savings Portion of Maturity-refund type Insurance Premiums

5. Direct Claims by Line

(in millions of yen & %)

Class of Business	Fiscal 2000		Fiscal 2001		Fiscal 2002		Fiscal 2003		Fiscal 2004	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	363,808	-33.2	324,995	-10.7	291,620	-10.3	310,507	6.5	853,409	174.8
Voluntary Automobile	2,190,257	5.1	2,114,950	-3.4	2,042,634	-3.4	2,017,372	-1.2	2,092,717	3.7
Compulsory Automobile Liability	888,159	1.9	889,619	0.2	904,202	1.6	915,683	1.3	879,610	-3.9
Personal Accident	278,235	-4.2	265,529	-4.6	256,288	-3.5	250,299	-2.3	243,492	-2.7
Miscellaneous Casualty	388,678	2.5	431,699	11.1	420,327	-2.6	417,692	-0.6	457,285	9.5
Marine and Inland Transit	136,131	-7.7	140,505	3.2	121,369	-13.6	143,435	18.2	129,314	-9.8
Total	4,245,271	-1.6	4,167,300	-1.8	4,036,443	-3.1	4,054,991	0.5	4,655,831	14.8

(in millions of yen & %)

Class of Business	Fiscal 2005		Fiscal 2006		Fiscal 2007		Fiscal 2008		Fiscal 2009	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	476,474	-44.2	464,711	-2.5	397,528	-14.5	397,948	0.1	374,606	-5.9
Voluntary Automobile	2,079,897	-0.6	2,109,383	1.4	2,147,724	1.8	2,155,859	0.4	2,176,101	0.9
Compulsory Automobile Liability	856,479	-2.6	818,613	-4.4	824,032	0.7	807,692	-2.0	795,450	-1.5
Personal Accident	259,012	6.4	287,596	11.0	323,470	12.5	343,003	6.0	350,805	2.3
Miscellaneous Casualty	408,078	-10.8	437,185	7.1	445,340	1.9	530,498	19.1	519,920	-2.0
Marine and Inland Transit	131,799	1.9	139,522	5.9	140,303	0.6	143,656	2.4	136,628	-4.9
Total	4,211,742	-9.5	4,257,055	1.1	4,278,443	0.5	4,378,697	2.3	4,353,561	-0.6

6. Direct Premiums of Foreign General Insurers

(in millions of yen and %)

Class of Business	Fiscal 1998		Fiscal 1999		Fiscal 2000		Fiscal 2001	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	32,203	-3.3	30,643	-4.8	30,290	-1.2	30,560	0.9
Voluntary Automobile	84,506	10.9	98,352	16.4	104,013	5.8	110,405	6.1
Personal Accident	129,490	-3.4	129,608	0.1	136,204	5.1	144,959	6.4
Miscellaneous Casualty	34,749	11.6	40,323	16.0	43,977	9.1	40,023	-9.0
Marine and Inland Transit	7,686	-11.4	7,103	-7.6	7,358	3.6	6,830	-7.2
Compulsory Automobile Liability	6,972	-1.2	7,050	1.1	6,578	-6.7	6,541	-0.6
Total	295,606	1.8	313,079	5.9	328,420	4.9	339,318	3.3

Class of Business	Fiscal 2002		Fiscal 2003		Fiscal 2004		Fiscal 2005	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	33,133	8.4	39,662	19.7	42,638	7.5	46,973	10.2
Voluntary Automobile	113,364	2.7	114,728	1.2	115,903	1.0	117,084	1.0
Personal Accident	153,093	5.6	152,073	-0.7	151,870	-0.1	169,763	11.8
Miscellaneous Casualty	41,162	2.8	39,426	-4.2	37,768	-4.2	41,624	10.2
Marine and Inland Transit	7,470	9.4	7,284	-2.5	7,371	1.2	7,814	6.0
Compulsory Automobile Liability	7,786	19.0	7,534	-3.2	6,976	-7.4	6,272	-10.1
Total	356,008	4.9	360,707	1.3	362,526	0.5	389,529	7.4

Class of Business	Fiscal 2006		Fiscal 2007		Fiscal 2008		Fiscal 2009	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	48,885	4.1	51,298	4.9	51,003	-0.6	51,181	0.0
Voluntary Automobile	116,107	-0.8	115,108	-0.9	110,731	-3.8	105,126	-0.1
Personal Accident	168,475	-0.8	159,234	-5.5	149,981	-5.8	147,706	-0.0
Miscellaneous Casualty	57,554	38.3	71,614	24.4	75,923	6.0	76,332	0.0
Marine and Inland Transit	8,547	9.4	8,942	4.6	8,519	-4.7	6,854	-0.2
Compulsory Automobile Liability	5,943	-5.3	5,447	-8.3	3,995	-26.7	3,703	-0.1
Total	405,511	4.1	411,643	1.5	400,152	-2.8	390,902	-0.0

(Note) The figures above do not include those of foreign-capitalized general insurers and foreign general insurers which are not members of the Foreign Non-Life Insurance Association of Japan.

7. Direct Premiums Written Abroad by Japanese General Insurers

(in millions of yen and %)

Class of Business	Fiscal 2000		Fiscal 2001		Fiscal 2002		Fiscal 2003		Fiscal 2004	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	13,211	12.7	13,883	5.1	14,983	7.9	17,665	17.9	17,953	1.6
Automobile	11,502	5.3	12,573	9.3	13,030	3.6	15,028	15.3	15,350	2.1
Marine Hull	101	-11.4	134	32.7	33	-75.4	17	-48.5	15	-11.8
Marine Cargo	8,142	12.6	5,665	-30.4	5,896	4.1	7,402	25.5	8,891	20.1
Others	25,797	22.7	30,942	19.9	29,933	-3.3	31,149	4.1	26,792	-14.0
Total	58,753	15.2	63,198	7.6	63,875	1.1	71,261	11.6	69,001	-3.2

Class of Business	Fiscal 2005		Fiscal 2006		Fiscal 2007		Fiscal 2008		Fiscal 2009	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	20,427	13.8	26,484	29.7	30,409	14.8	23,107	-24.0	17,517	-24.2
Automobile	16,170	5.3	18,495	14.4	19,343	4.6	17,398	-10.1	15,566	-10.5
Marine Hull	12	-19.3	32	166.7	136	325.0	21	-84.6	17	-19.0
Marine Cargo	10,029	12.8	11,975	19.4	12,770	6.6	9,344	-26.8	5,460	-41.6
Others	28,035	4.6	31,018	10.6	30,621	-1.3	26,950	-12.0	22,131	-17.9
Total	74,673	8.2	88,003	17.9	93,278	6.0	76,820	-17.6	60,691	-21.0

8. International Reinsurance Business

Outward Reinsurance Balance

(in billions of yen)

Fiscal Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Premiums (paid)	213.9	251.6	264.1	255.7	244.1	248.4	290.7	292.5	294.6	327.5
Claims (received)	135.6	114.4	114.1	123.5	242.1	162.7	118.2	125.8	149.8	147.8
Balance	-78.3	-137.2	-150.0	-132.2	-2.0	-85.7	-172.5	-166.7	-144.7	-179.7

Inward Reinsurance Balance

(in billions of yen)

Fiscal Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Premiums (received)	164.3	202.5	250.4	225.1	195.4	212.7	240.8	230.3	211.2	191.9
Claims (paid)	178.8	236.4	244.3	279.4	212.6	227.3	225.8	229.2	195.6	193.5
Balance	-14.5	-33.9	6.1	-54.3	-17.2	-14.6	15.0	1.1	15.6	-1.6

9. Japanese Insurers' Offices Abroad (as of April 1 each year)

Number of Japanese Insurers Conducting Foreign Business Through Overseas Offices (Note 1)

Type of Office	2000	2001	2002
Subsidiaries (Note 2)	15	13	12
Direct Insurance Subsidiaries with 50% or more Japanese Capital (Note 3)	14	12	11
Branches of Direct Insurance Subsidiaries	7	7	6
Agents of Direct Insurance Subsidiaries	5	4	5
Number of Insurance Companies Operating in Any One of the Above 3 Categories.	14	12	11
Overseas Branches	5	5	3
Overseas Agents	11	10	8
Sub-total	12	10	8
Number of Insurance Companies Operating in Any One of the Above Categories Abroad	16	14	12

Number of Countries / Regions (Note 4)

Type of Office	2000	2001	2002
Subsidiaries (Note 2)	23	25	25
Direct Insurance Subsidiaries with 50% or more Japanese Capital (Note 3)	20	20	15
Branches of Direct Insurance Subsidiaries	9	9	16
Agents of Direct Insurance Subsidiaries	11	11	14
Number of Insurance Companies Operating in Any One of the Above 3 Categories.	28	28	27
Overseas Branches	14	6	5
Overseas Agents	18	18	17
Sub-total	22	22	21
Number of Regions Where Insurance Companies Operating in Any One of the Above Categories Abroad	48	50	46

Number of Japanese Insurers' Offices Abroad

Type of Office	2000	2001	2002
Subsidiaries (Note 2)	118	117	113
Reinsurance Subsidiaries and Direct Insurance Subsidiaries with less than 50% Japanese Capital	50	50	51
Direct Insurance Subsidiaries with 50% or more Japanese Capital (Note 3)	68	67	62
Branches of Direct Insurance Subsidiaries	24	24	65
Agents of Direct Insurance Subsidiaries	29	29	30
Sub-total	171	170	208
Overseas Branches	17	7	6
Overseas Agents	63	62	53
Sub-total	80	69	59
Grand total	251	239	267

Liaison Offices

	2000	2001	2002
Number of Japanese Insurers with Liaison Offices	16	14	12
Number of Countries / Regions	43	44	46
Number of Cities	79	82	81
Number of Offices	246	224	193

- (Notes)
1. Figures represent the number of Japanese insurers conducting foreign business by type of overseas offices, and include cases same region.
 2. "Subsidiaries" means companies operating insurance and/or reinsurance business only, and thus excludes asset investment, loss
 3. Figures include cases where Japanese insurers have gained substantial control of a subsidiary by such means as taking over
 4. Figures represent the number of countries or regions where Japanese insurers conduct foreign business through overseas offices.
 5. Figures do not include cases where direct insurance subsidiaries have established more than one branch in the same region.

2003	2004	2005	2006	2007	2008	2009	2010
11	11	9	10	10	10	9	9
10	10	8	9	9	9	7	7
6	6	6	6	6	6	6	5
5	6	5	5	5	4	4	4
10	10	8	9	9	9	7	7
3	3	3	3	3	3	1	2
7	7	6	6	6	6	6	6
7	7	6	6	6	6	6	6
11	11	9	10	10	10	9	9

2003	2004	2005	2006	2007	2008	2009	2010
24	24	24	22	23	22	26	27
15	16	13	16	17	16	16	17
11	9	9	11	13	13	22	14
12	12	12	12	13	12	12	12
26	26	25	28	30	27	30	32
6	6	7	7	7	7	5	6
17	15	15	14	14	14	14	14
22	20	20	19	19	19	17	17
47	49	44	45	45	44	51	50

2003	2004	2005	2006	2007	2008	2009	2010
93	93	90	93	97	99	108	108
42	40	39	39	38	40	38	34
51	53	51	54	59	59	70	74
34	31	30	49	50	54	116	36 (Note 5)
25	25	25	24	24	20	19	19
152	148	145	166	171	173	243	163
7	9	10	9	9	9	5	7
51	45	40	38	38	38	37	36
58	54	50	47	47	47	42	43
210	202	195	213	218	220	285	206

2003	2004	2005	2006	2007	2008	2009	2010
11	11	10	10	10	10	10	10
46	46	42	43	43	43	44	41
82	81	77	78	77	79	81	78
178	178	171	175	172	174	179	174

where a Japanese insurer conducts its business through both overseas subsidiaries and branches/agents of its home country head office in the survey operations, etc. directorship without owning the majority of shares.

10. International Comparison of General Insurance Premium Volume (2008)

Country (Region)	Gross Direct Premiums			Gross Direct Premiums GDP		Per Capita Premiums	
	(in millions of yen)	Rank	Share (%)	(%)	Rank	(yen)	Rank
U.S.A.	68,078,137	1	37.23	4.6	3	223,771	4
Germany	13,545,805	2	7.41	3.5	9	161,626	8
U.K.	11,036,779	3	6.04	2.9	15	131,104	17
Japan	10,902,355	4	5.96	2.2	31	85,217	24
France	9,440,555	5	5.16	3.0	12	137,630	13
Netherlands	7,575,382	6	4.14	8.5	1	460,769	1
Italy	5,967,443	7	3.26	2.4	24	94,682	21
Canada	5,890,674	8	3.22	3.8	6	177,587	6
Spain	4,923,197	9	2.69	3.0	13	107,980	19
China	4,623,314	10	2.53	1.0	69	3,463	76
Russia	3,906,596	11	2.14	2.3	30	27,553	42
South Korea	3,145,379	12	1.72	3.7	7	63,820	27
Australia	2,903,664	13	1.59	2.9	17	138,596	12
Brazil	2,576,855	14	1.41	1.6	51	13,268	55
Switzerland	2,219,421	15	1.21	4.4	4	290,623	2
Belgium	1,681,112	16	0.92	2.7	20	131,268	16
Austria	1,345,773	17	0.74	3.2	10	161,195	9
Taiwan	1,183,602	18	0.65	2.9	14	51,344	30
Denmark	1,168,187	19	0.64	2.8	19	179,848	5
Ireland	1,116,391	20	0.61	2.1	33	135,143	15
Other Countries	19,629,687	—	10.73	—	—	—	—
Total/Average	182,860,305	—	100.00	2.9	—	27,152	—

- (Notes)
1. Figures are compiled by the GIAJ based on the "Sigma No.3/2009" by Swiss Re.
 2. Total (average) figures are those total (average) figures of 147 countries surveyed.
 3. Gross Direct Premiums include all premiums written by domestic and foreign companies within the country.
 4. The exchange rate used (US\$1=102.77 yen) is the average exchange rate for 2008.



Outline of the General Insurance Association of Japan

1 History

Prior to the present Association's establishment in 1946, its origin can be traced back to 1917, when the Joint Fire Insurance Association of Japan was founded by domestic and foreign insurance companies then operating in Japan. In 1939 the Joint Association was reorganized as the Dai-Nippon Fire Insurance Association. In 1941 it was amalgamated with several marine insurance organizations, such as the Japan Marine Underwriters' Association and the Hull Insurers' Union, established in 1920 and 1927 respectively, into the former Marine and Fire Insurance Association of Japan consisting of only domestic companies as regular members. The follow-

ing year, in 1942, its name and functions were changed to the Non-Life Insurance Control Association assisting the government in the control of the industry during a chaotic economic period. Shortly after the hostilities ended, in September 1945, however, this Control Association was dissolved. The Marine and Fire Insurance Association of Japan was reestablished on January 18, 1946, by all the domestic non-life insurance companies. On May 1, 1948, it was reorganized as an incorporated body. On May 20, 2003, it changed its English name to the General Insurance Association of Japan (GIAJ) and is currently composed of 26 member companies.

2 Objective

The objective of the GIAJ is to promote the sound development and maintain the reliability of

the general insurance business in Japan.

3 Major Activities

a. Enhancement of Communication with Consumers

The GIAJ promotes consumer relations to incorporate their opinions into the industry operation and ensure the better understanding of general insurance among people.

b. Promotion of Compliance with Laws and Regulations

In addition to strengthening regulatory functions by drawing up various industry guidelines, the GIAJ also acts as a Personal Information Protection Body designated by the FSA.

c. Requests and Proposals

The GIAJ develops business infrastructure which supports the business of the member companies. The GIAJ also carries out activities to realize the general insurance industry's concerns.

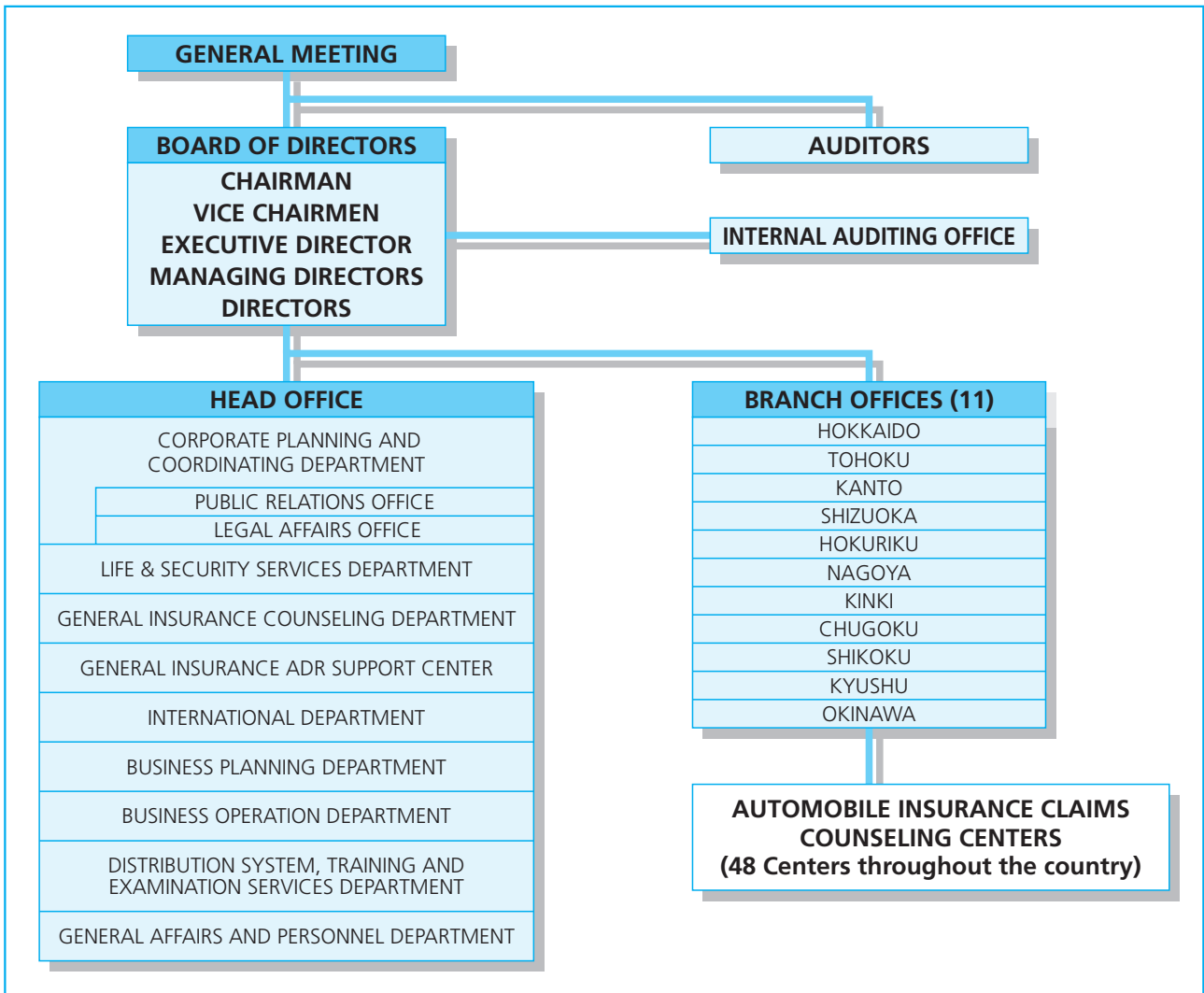
d. Contribution to Safety and Security in Society and the Community

The GIAJ contributes to safety and security in peoples' daily lives through activities such as automobile theft prevention, disaster prevention, crime prevention, traffic safety promotion, and environmental protection.

e. Contribution to the Global Community
 The GIAJ actively participates in the IAIS standard setting activities as an observer, closely monitoring and advocating toward multilateral and regional trade discussions, enhancing

exchanges and cooperation with overseas insurance markets, and holding international seminars with participants from the East Asian region such as the Insurance School (Non-Life) of Japan (ISJ).

4 Organization (as of October 1, 2010)



(Note) Establishment of the “Advisory Panel to Listen to Consumers’ Voices”

In September 2006, the General Insurance Association of Japan (GIAJ) newly established the “Advisory Panel to Listen to Consumers’ Voices” to incorporate consumers’ opinions into the industry operation. The majority of the Panel consists of representatives from consumer groups and academic experts. The Panel stands independently from the GIAJ’s existing organs, such as committees and sub-committees, offering proposals to the Board Meeting following discussions on specific industry-wide issues based on consumers’ suggestions and complaints.

IV

Directory

1

Licensed Domestic Companies (29 Companies as of October 1, 2010)

- ACE Insurance
- Adlick Insurance Co., Ltd.
- Aioi Nissay Dowa Insurance Co., Ltd.
- Allianz Fire and Marine Insurance Japan Ltd.
- Anicom Insurance, Inc.
- The Asahi Fire & Marine Insurance Co., Ltd.
- AXA GENERAL INSURANCE COMPANY LIMITED
- The Daido Fire and Marine Insurance Co., Ltd.
- E.design Insurance Co., Ltd.
- The Fuji Fire & Marine Insurance Co., Ltd.
- Hitachi Capital Insurance Corp.
- H.S. Insurance Co., Ltd.
- Japan Earthquake Reinsurance Co., Ltd.
- JI Accident & Fire Insurance Co., Ltd.
- The Kyoei Fire & Marine Insurance Co., Ltd.
- Meiji Yasuda General Insurance Co., Ltd.
- Mitsui Direct General Insurance Co., Ltd.
- Mitsui Sumitomo Insurance Co., Ltd.
- NIPPONKOA Insurance Co., Ltd.
- Nisshin Fire & Marine Insurance Co., Ltd.
- SAISON Automobile and Fire Insurance Co., Ltd.
- SBI Insurance Co., Ltd.
- SECOM General Insurance Co., Ltd.
- Sompo Japan Insurance Inc.
- Sonpo 24 Insurance Co., Ltd.
- Sony Assurance Inc.
- The Sumi-Sei General Insurance Co., Ltd.
- The Toa Reinsurance Co., Ltd.
- Tokio Marine & Nichido Fire Insurance Co., Ltd.

(● represents the GIAJ member companies.)

2 Licensed Foreign Companies (22 Companies as of October 1, 2010)

- AIU Insurance Company (U.S.A.)
- American Home Assurance Company (U.S.A.)
- Assicurazioni Generali S.p.A. (Italy)
- Assuranceforeningen GARD - gjensidig (Norway)
- Assured Guaranty Municipal Corp. (U.S.A.)
- Atradius Credit Insurance NV (Netherlands)
- The Britannia Steam Ship Insurance Association Ltd. (U.K.)
- CARDIF-Assurances Risques Divers (France)
- Coface Japan (Compagnie Francaise d'Assurance pour le Commerce Exterieur / France)
- EULER HERMES Kreditversicherungs-AG (Germany)
- Federal Insurance Company (U.S.A.)
- General Reinsurance AG (Germany)
- HDI-Gerling Industrie Versicherung AG (Germany)
- Hyundai Marine & Fire Insurance Company, Ltd. (Korea)
- The New India Assurance Company Ltd. (India)
- Munich Re Japan Life Branch (Germany)
- RGA Reinsurance Company (U.S.A.)
- The Society of Lloyd's (U.K.) [Lloyd's Japan Inc.]
- Swiss Reinsurance Company Ltd (Switzerland)
- Transatlantic Reinsurance Company (U.S.A.)
- The United Kingdom Mutual Steam Ship Assurance Association (Bermuda) Ltd. (Bermuda)
- Zurich Insurance Company Ltd (Switzerland)

(The above companies are not the GIAJ members.)

3 General Insurance Organizations (as of October 1, 2010)

- Non-Life Insurance Rating Organization of Japan
- Japan Atomic Energy Insurance Pool
- The Non-Life Insurance Institute of Japan
- The Foreign Non-Life Insurance Association of Japan
- Non-Life Insurance Policyholders Protection Corporation of Japan
- Independent Insurance Agents of Japan, Inc.

– To preserve our irreplaceable environment and ensure safety –

The General Insurance Association of Japan has obtained the ISO 14001 Certificate.

**INTERNATIONAL DEPARTMENT
THE GENERAL INSURANCE ASSOCIATION OF JAPAN**

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