

FACT BOOK

FACT BOOK 2010-2011

GENERAL INSURANCE IN JAPAN



THE GENERAL INSURANCE ASSOCIATION OF JAPAN

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Key Figures of the General Insurance Business for Fiscal 2010

1 The Number of General Insurance Companies

Total: **50**
 Domestic insurers: **28**
 Foreign insurers: **22**

A total of 28 domestic and 22 foreign insurers are operating.

As of July 1, 2011, a total of 50 general insurance companies were operating in Japan; a total of 28 companies were licensed as domestic insurers, including 5 foreign capital domestic insurers, while 22 companies were licensed as foreign insurers.

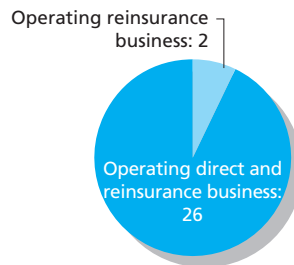
The number of people working in general insurance companies, including management, sales staff and temporary staff, was 92,600 as of April 1, 2011.

Domestic insurers: Licensed as domestic insurer

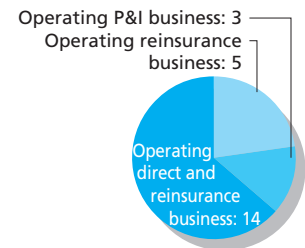
Domestic insurers with foreign capital: Licensed as domestic insurer which includes foreign capital of over 50%.

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 fiscal 2010):
202,098

The number of sales staff
 in agencies (at the end of
 fiscal 2010):
2,173,600

While the number of agencies decreased by 2.8%, the number of sales staff increased by 0.6%.

There were 202,098 general insurance agencies of domestic and foreign general insurers and 2,173,600 sales staff were engaged in the agency business.

These agencies shared 92.1% of the written direct premiums in fiscal 2010.

■ 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:

7,747.8 billion yen

Net premiums:

6,971.0 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 0.5%, and net premiums also decreased by 0.0%.

The total of direct premiums, including the savings portion thereof, written in fiscal 2010 was 7,747.8 billion yen, down 0.5%, and the total of net premiums written was 6,971.0 billion yen, down 0.0% (The figures are the totals for GIAJ member companies.).

■ Direct premiums



■ Net premiums



4 The Amount of Claims Paid

Net claims paid:

4,318.7 billion yen

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

The amount of net claims paid decreased by 1.1% over the previous year.

Net claims paid on all classes of insurance business during fiscal 2010 amounted to 4,318.7 billion yen, decreased by 1.1% compared with the previous term due to decreased claims payments for miscellaneous and fire insurance, while those for automobile insurance increased (The figures are the totals for GIAJ member companies.).

■ Net claims paid



5 Assets and Investment

Total assets:

29,673.3 billion yen

Working assets:

26,533.1 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.

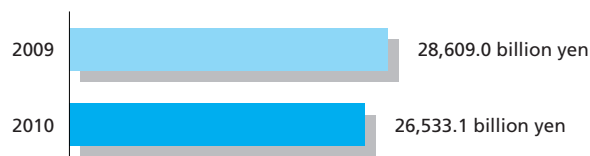
Total assets decreased by 5.8%, and working assets also decreased by 7.3%.

Total assets decreased 5.8% to 29,673.3 billion yen, reflecting a drop in the market value of securities and long term assets. Working assets also decreased to 26,533.1 billion yen, down 7.3% (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:

234.4 billion yen

Net profits:

127.5 billion yen

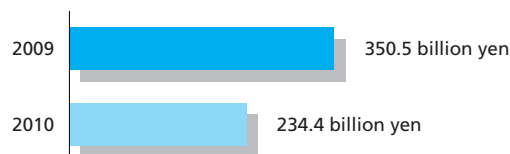
Ordinary profit: The total of (underwriting income – expenses) + (investment income – expenses) – (other ordinary expenses)

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

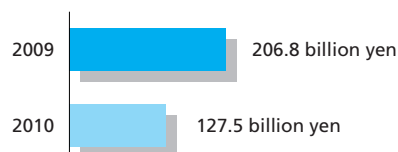
As for ordinary profits and net profits for the current year, they showed a decrease and amounted to 234.4 billion yen and 127.5 billion yen respectively.

Ordinary profits for fiscal 2010 decreased to 234.4 billion yen, due to the Great East Japan Earthquake. Net profits after tax also increased to 127.5 billion yen (The figures are the totals for GIAJ member companies.).

■ Ordinary profits



■ Net profits



7 Loss Ratio and Operating Expenses Ratio

Loss ratio:

67.5%

Operating expenses ratio:

34.6%

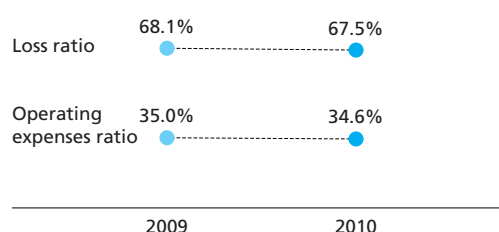
The loss ratio decreased by 0.6 percentage point, and the operating expenses ratio decreased by 0.4 percentage point.

The loss ratio decreased by 0.6 percentage point to 67.5% due to the decrease of insurance payments for miscellaneous casualty insurance and fire insurance. The operating expenses ratio decreased by 0.4 percentage point to 34.6% in fiscal 2010 (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: **23.7%**
(at the end of fiscal 2010)

Voluntary Automobile
(bodily injury liability):

73.3%
(at the end of fiscal 2010)

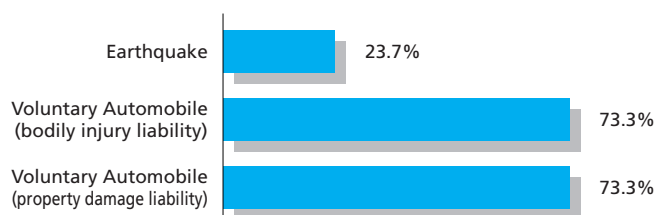
Voluntary Automobile
(property damage liability):

73.3%
(at the end of fiscal 2010)

Ownership of Earthquake Insurance on Dwelling Risks, which represents the ratio of the number of earthquake insurance policies to the number of households on the Basic Resident Register in Japan, increased to 23.7% at the end of fiscal 2010.

Ownership of general insurance policies by line are as follows:

Ownership by line



Ownership of Earthquake Insurance on Dwelling Risks Policies

Fiscal Year	2006	2007	2008	2009	2010
National Average	20.8%	21.4%	22.4%	23.0%	23.7%

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

Ownership of Voluntary Automobile Insurance

Fiscal Year	2005	2006	2007	2008	2009
Number of Registered Automobiles (thousand)	78,992	79,236	79,080	78,800	78,693
Bodily Injury Liability	71.2%	71.5%	72.2%	72.8%	73.3%
Property Damage Liability	71.1%	71.5%	72.2%	72.8%	73.3%
Passengers' Personal Accident	59.0%	58.6%	58.6%	58.3%	57.7%
Physical Damage	37.3%	38.3%	39.5%	40.3%	41.2%

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



Statistics

1. Income Statement

(in billions of yen & %)

Item	Fiscal 2009		Fiscal 2010	
	Amount	Growth	Amount	Growth
Ordinary Profit and Loss				
Underwriting Income	8,542.7	-1.6	8562.1	0.2
Net Premiums Written	6,971.1	-2.7	6971.0	—
Savings Portion of Maturity-refund type Insurance Premiums	590.4	-12.7	572.9	-3.0
Underwriting Expenses	7,263.3	-1.8	7548.3	3.9
Net Claims Paid	4,367.9	-0.7	4318.7	-1.1
Loss Adjustment Expenses	377.3	2.3	384.4	1.9
Agency Commissions and Brokerage	1,218.6	-2.2	1220.3	0.1
Maturity Refunds to Policyholders	1,196.8	-0.7	1236.2	3.3
Net Provision for / Net Reversal of Outstanding Loss Reserves	-109.2	-646.8	309.1	—
Net Provision for / Net Reversal of Underwriting Reserves	-543.6	—	-722.5	—
Investment Income	572.5	-13.5	656.2	14.6
Interest and Dividend Income	501.8	-15.4	511.8	2.0
Profits on Sales of Securities	223.0	-23.0	299.4	34.3
Investment Expenses	200.9	-76.6	175.1	-12.9
Losses on Sales of Securities	69.7	-33.2	47.4	-32.0
Losses on Revaluation of Securities	47.4	-90.7	52.3	10.3
Operating and General Administrative Expenses	1,296.2	-3.9	1,264.8	-2.4
Operating and General Administrative Expenses on Underwriting	1,220.0	-3.8	1,192.2	-2.3
Other Ordinary Profits and Losses	-4.2	—	4.2	—
Ordinary Profits	350.5	—	234.4	-33.1
Underwriting Profits	54.3	234.6	-183.2	-437.6
Special Profits and Losses Balance	-35.6	-123.4	-68.3	—
Profits for the Current Year before Corporate Taxes	315.0	—	166.1	-47.3
Corporate Income Taxes and Corporate Resident Taxes	72.5	4.3	44.0	-39.4
Adjustments in Corporate Income Taxes, etc.	35.6	—	-5.4	-115.2
Total Income Taxes	108.2	—	38.6	-64.4
Net Profits for the Current Year	206.8	—	127.5	-38.4

2. Abridged Balance Sheet

<Assets>

(in billions of yen & %)

Item	Fiscal 2009		Fiscal 2010	
	Amount	Share	Amount	Share
Deposits	933.5	3.0	904.3	3.0
Call Loans	334.3	1.1	757.4	2.5
Receivables under Resales Agreements	228.5	0.7	167.5	0.6
Monetary Receivables Bought	1,295.2	4.1	948.9	3.2
Money Trusts	113.0	0.3	78.0	0.3
Securities	22,232.1	70.6	20,437.4	68.9
National Government Bonds	4,956.0	15.7	5,098.4	17.2
Local Government Bonds	610.4	1.9	531.1	1.8
Corporate Bonds	3,809.3	12.1	3,292.5	11.1
Stocks	7,452.7	23.7	6,439.4	21.7
Foreign Securities	4,963.9	15.8	4,751.8	16.0
Other Securities	439.8	1.4	324.2	1.1
Loans	2,373.8	7.5	2,167.9	7.3
Real Estate	1,098.4	3.5	1,071.8	3.6
Total Working Assets	28,609.0	90.8	26,533.1	89.4
Other Assets	2,886.6	9.2	3,140.2	10.6
Total Assets	31,495.6	100.0	29,673.3	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 2009		Fiscal 2010	
	Amount	Share	Amount	Share
Underwriting Reserves	22,086.9	70.1	21,639.3	72.9
Outstanding Loss Reserves	3,150.9	10.0	3,437.1	11.6
Technical Provision	18,936.0	60.1	18,202.2	61.3
Other Liabilities	3,867.3	12.3	3,264.4	11.0
Total Liabilities	25,954.2	82.4	24,903.7	83.9
Capital	899.2	2.8	828.7	2.8
Suspense Receipts on Capital Subscriptions	—	—	—	—
Additional Paid in Capital	524.0	1.7	562.4	1.9
Earned Surplus	1,709.4	5.4	1,548.4	5.2
Earned Surplus Carried Forward	215.1	0.7	NA	NA
Treasury Stock	-19.1	-0.1	-6.2	—
Unrealized Gain on Securities, Net of Income Taxes	2,420.4	7.7	1,820.5	6.1
Deferred Gains and Losses on Hedge Transactions	20.6	0.1	29.0	0.1
Land Revaluation Excess	-15.6	-0.0	-13.4	-0.0
Stock Acquisition Right	2.5	0.0	0.1	0.0
Total Equities	5,541.4	17.6	4,769.6	16.1
Total Liabilities and Equities	31,495.6	100.0	29,673.3	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. 7) The share figures quoted in the 2009-2010 Fact Book for Fiscal 2009 were incorrect, so those have been corrected and are shown in Italic.

3. Direct Premiums by Line

Class of Business	Fiscal 2001		Fiscal 2002		Fiscal 2003		Fiscal 2004	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	1,507,526	-4.8	1,493,409	-0.9	1,471,055	-1.5	1,463,668	-0.5
Maturity-refund type	478,285	-15.5	452,097	-5.5	390,256	-13.7	363,916	-6.7
Voluntary Automobile	3,676,513	0.7	3,605,362	-1.9	3,553,918	-1.4	3,503,607	-1.4
Maturity-refund type	14,757	9.0	12,942	-12.3	10,183	-21.3	8,180	-19.7
Personal Accident	1,625,266	-11.2	1,578,112	-2.9	1,485,479	-5.9	1,478,874	-0.4
Maturity-refund type	1,041,031	-15.2	994,982	-4.4	900,915	-9.5	864,428	-4.0
Miscellaneous Casualty	783,911	3.3	779,889	-0.5	776,931	-0.4	784,793	1.0
Maturity-refund type	27,874	-41.2	17,958	-35.6	12,279	-31.6	8,628	-29.7
Burglary	26,288	-7.2	23,565	-10.4	20,343	-13.7	18,784	-7.7
Glass	2,178	-10.4	1,991	-8.6	1,838	-7.7	1,692	-7.9
Aviation	38,463	163.0	51,358	33.5	48,103	-6.3	35,738	-25.7
Windstorm & Flood	250	-24.2	247	-1.0	252	2.1	366	45.1
Guarantee	16,698	24.4	12,887	-22.8	11,026	-14.4	10,430	-5.4
Credit	25,632	27.8	31,326	22.2	30,568	-2.4	30,263	-1.0
Workers' Accident Compensation Liability	85,157	-13.4	79,695	-6.4	75,685	-5.0	70,090	-7.4
Maturity-refund type	13,853	-43.5	12,687	-8.4	10,746	-15.3	6,471	-39.8
Boiler & Turbo-set	2,602	-2.0	2,395	-8.0	2,528	5.6	2,412	-4.6
Livestock	2,672	-7.3	3,047	14.0	3,007	-1.3	3,204	6.6
General Liability	332,680	7.4	334,445	0.5	356,603	6.6	382,224	7.2
Machinery & Erection	36,181	-2.4	33,734	-6.8	32,261	-4.4	32,665	1.3
Shipowners' Liability for Passengers' Personal Accident	830	-16.8	842	1.5	814	-3.3	759	-6.7
Contractors' All Risks	35,322	-0.1	34,375	-2.7	34,450	0.2	36,404	5.7
Atomic Energy	10,318	-6.4	11,065	7.2	10,874	-1.7	10,426	-4.1
Movables Comprehensive	121,913	-0.4	120,005	-1.6	113,212	-5.7	107,732	-4.8
Maturity-refund type	949	-50.8	589	-37.9	305	-48.2	155	-48.9
Miscellaneous Pecuniary Loss	46,727	-20.7	38,912	-16.7	35,367	-9.1	41,596	17.6
Maturity-refund type	13,071	-37.6	4,682	-64.2	1,228	-73.8	2,001	62.9
Pet	—	—	—	—	—	—	—	—
Marine and Inland Transit	250,727	0.1	251,189	0.2	258,862	3.1	269,166	4.0
Marine Hull	63,072	10.6	57,957	-8.1	59,136	2.0	58,680	-0.8
Marine Cargo	124,143	-3.4	130,442	5.1	134,959	3.5	143,754	6.5
Inland Transit	63,512	-2.2	62,790	-1.1	64,767	3.1	66,731	3.0
Subtotal	7,843,944	-2.8	7,707,962	-1.7	7,546,244	-2.1	7,500,110	-1.1
Compulsory Automobile Liability	986,577	-0.1	1,190,710	20.7	1,201,820	0.9	1,189,010	-1.1
Grand total	8,830,521	-2.6	8,898,672	0.8	8,748,064	-1.7	8,689,120	-0.7
Maturity-refund type	1,561,947	-15.8	1,477,980	-5.4	1,313,633	-11.1	1,245,154	-5.2

(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 2005		Fiscal 2006		Fiscal 2007		Fiscal 2008		Fiscal 2009		Fiscal 2010	
Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
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	1,315,875	-5.9
334,870	-8.0	298,214	-10.9	271,036	-9.1	253,328	-6.5	244,666	-3.4	213,204	-12.9
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	3,431,368	0.5
7,433	-9.1	6,759	-9.1	6,064	-10.3	5,295	-12.7	2,823	-46.7	1,001	-64.5
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	1,040,314	1.4
737,305	-14.7	644,512	-12.6	559,501	-13.2	471,663	-15.7	390,755	-17.2	396,559	1.5
796,556	1.5	829,201	4.1	828,219	-0.1	853,364	3.0	892,174	4.5	896,566	0.5
9,448	9.5	3,487	-63.1	3,846	10.3	1,417	-63.2	489	-65.5	424	-13.3
17,875	-4.8	15,587	-12.8	13,714	-12.0	12,915	-5.8	11,196	-13.3	10,286	-8.1
1,504	-11.1	1,302	-13.2	1,222	-6.1	1,045	-14.5	915	-12.4	820	-10.4
32,321	-9.6	30,050	-7.0	28,007	-6.8	23,654	-15.5	20,700	-12.5	19,503	-5.8
411	12.3	325	-20.5	233	-28.3	260	11.6	197	-24.2	68	-65.5
10,713	2.7	11,913	11.3	11,511	-3.4	12,060	4.8	10,908	-9.6	10,343	-5.2
30,102	-0.5	31,999	6.3	33,879	5.9	38,928	14.9	39,306	1.0	35,754	-9.0
69,549	-0.8	63,305	-9.0	62,747	-0.9	58,363	-7.0	53,450	-8.4	48,866	-8.6
8,190	26.6	3,016	-63.2	3,585	18.9	1,284	-64.2	152	-88.2	-24	-115.8
2,357	-2.3	2,360	0.1	2,351	-0.4	2,278	-3.1	2,368	4.0	2,333	-1.5
3,182	-0.7	3,541	11.3	3,570	0.8	3,303	-7.5	2,940	-11.0	2,926	-0.5
401,330	5.0	436,922	8.9	438,674	0.4	440,181	0.3	474,757	7.9	474,877	0.0
34,583	5.9	35,905	3.8	35,540	-1.0	34,325	-3.4	32,317	-5.8	31,273	-3.2
781	2.9	722	-7.2	743	2.9	733	-1.3	709	-3.3	644	-9.2
36,993	1.6	40,607	9.8	41,079	1.2	40,792	-0.7	36,231	-11.2	32,121	-11.3
11,252	7.9	11,356	1.0	11,007	-3.1	10,301	-6.4	10,747	4.3	10,088	-6.1
103,934	-3.5	103,073	-0.8	100,030	-3.0	95,327	-4.7	86,359	-9.4	82,254	-4.8
41	-73.2	2	-94.9	0	-100.0	0	—	—	—	—	—
39,663	-4.6	40,148	1.2	43,816	9.1	72,368	65.2	100,000	38.2	123,467	23.5
1,215	-39.2	468	-61.4	257	-45.1	134	-47.9	334	149.3	447	33.8
—	—	—	—	—	—	6,441	—	8,980	39.4	10,858	20.9
284,759	5.8	303,734	6.7	317,485	4.5	298,629	-5.9	248,395	-16.8	257,315	3.6
62,747	6.9	68,359	9.0	72,617	6.2	73,110	0.7	73,405	0.4	71,408	-2.7
154,022	7.1	166,997	8.4	175,170	4.9	156,343	-10.7	112,392	-28.1	125,113	11.3
67,989	1.9	68,369	0.6	69,690	1.9	69,167	-0.8	62,590	-9.5	60,790	-2.9
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	6,941,482	-0.5
1,144,548	-3.7	1,128,961	-1.4	1,041,570	-7.7	868,362	-16.6	805,834	-7.2	806,334	0.1
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	7,747,816	-0.5
1,089,058	-12.5	952,972	-12.5	840,447	-11.8	731,703	-12.9	638,733	-12.7	611,188	-4.3

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 2001		Fiscal 2002		Fiscal 2003		Fiscal 2004		Fiscal 2005	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	1,031,948	-2.1	1,030,541	-0.1	1,044,867	1.4	1,030,154	-1.4	1,080,722	4.9
Voluntary Automobile	3,674,497	0.7	3,612,464	-1.7	3,558,174	-1.5	3,507,923	-1.4	3,507,502	0.0
Personal Accident	645,609	-4.6	636,727	-1.4	631,012	-0.9	649,832	3.0	666,360	2.5
Miscellaneous Casualty	725,448	4.8	760,987	4.9	766,194	0.7	779,402	1.7	803,847	3.1
Marine and Inland Transit	231,843	0.2	233,426	0.7	241,279	3.4	252,668	4.7	270,257	7.0
Marine Hull	47,810	6.5	44,059	-7.8	44,709	1.5	44,504	-0.5	47,909	7.7
Marine Cargo	123,963	-0.7	130,732	5.5	136,367	4.3	146,003	7.1	158,657	8.7
Inland Transit	60,059	-2.6	58,624	-2.4	60,190	2.7	62,151	3.3	63,685	2.5
Subtotal	6,309,424	0.1	6,274,207	-0.6	6,241,589	-0.5	6,220,035	-0.3	6,328,735	1.7
Compulsory Automobile Liability	572,171	0.4	1,011,677	76.8	1,195,639	18.2	1,191,923	-0.3	1,156,706	-3.0
Grand total	6,881,595	0.1	7,285,884	5.9	7,437,228	2.1	7,411,958	-0.3	7,485,441	1.0

(in millions of yen & %)

Class of Business	Fiscal 2006		Fiscal 2007		Fiscal 2008		Fiscal 2009		Fiscal 2010	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	1,085,433	0.4	1,055,422	-2.8	1,065,231	0.9	1,054,132	-1.0	1,007,338	-4.4
Voluntary Automobile	3,525,092	0.5	3,502,621	-0.6	3,456,548	-1.3	3,426,637	-0.9	3,456,389	0.9
Personal Accident	669,354	0.4	659,263	-1.5	647,178	-1.8	639,568	-1.2	647,717	1.3
Miscellaneous Casualty	832,604	3.6	828,328	-0.5	834,096	0.7	826,385	-0.9	818,851	-0.9
Marine and Inland Transit	288,652	6.8	299,379	3.7	275,559	-8.0	224,793	-18.4	232,396	3.4
Marine Hull	52,668	9.9	55,281	5.0	55,211	-0.1	56,898	3.1	55,306	-2.8
Marine Cargo	171,672	8.2	178,192	3.8	154,666	-13.2	108,724	-29.7	119,774	10.2
Inland Transit	64,304	1.0	65,900	2.5	65,672	-0.3	59,162	-9.9	57,310	-3.1
Subtotal	6,401,188	1.1	6,345,070	-0.9	6,278,665	-1.0	6,171,571	-1.7	6,162,740	-0.1
Compulsory Automobile Liability	1,135,988	-1.8	1,124,977	-1.0	883,171	-21.5	799,543	-9.5	808,254	1.1
Grand total	7,537,176	0.7	7,470,047	-0.9	7,161,836	-4.1	6,971,114	-2.7	6,970,994	-0.0

(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 Paid by Line

(in millions of yen & %)

Class of Business	Fiscal 2001		Fiscal 2002		Fiscal 2003		Fiscal 2004		Fiscal 2005	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	324,995	-10.7	291,620	-10.3	310,507	6.5	853,409	174.8	476,474	-44.2
Voluntary Automobile	2,114,950	-3.4	2,042,634	-3.4	2,017,372	-1.2	2,092,717	3.7	2,079,897	-0.6
Compulsory Automobile Liability	889,619	0.2	904,202	1.6	915,683	1.3	879,610	-3.9	856,479	-2.6
Personal Accident	265,529	-4.6	256,288	-3.5	250,299	-2.3	243,492	-2.7	259,012	6.4
Miscellaneous Casualty	431,699	11.1	420,327	-2.6	417,692	-0.6	457,285	9.5	408,078	-10.8
Marine and Inland Transit	140,505	3.2	121,369	-13.6	143,435	18.2	129,314	-9.8	131,799	1.9
Total	4,167,300	-1.8	4,036,443	-3.1	4,054,991	0.5	4,655,831	14.8	4,211,742	-9.5

(in millions of yen & %)

Class of Business	Fiscal 2006		Fiscal 2007		Fiscal 2008		Fiscal 2009		Fiscal 2010	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	464,711	-2.5	397,528	-14.5	397,948	0.1	374,606	-5.9	356,898	-4.7
Voluntary Automobile	2,109,383	1.4	2,147,724	1.8	2,155,859	0.4	2,176,101	0.9	2,216,405	1.9
Compulsory Automobile Liability	818,613	-4.4	824,032	0.7	807,692	-2.0	795,450	-1.5	791,484	-0.5
Personal Accident	287,596	11.0	323,470	12.5	343,003	6.0	350,805	2.3	348,137	-0.8
Miscellaneous Casualty	437,185	7.1	445,340	1.9	530,498	19.1	519,920	-2.0	467,655	-10.1
Marine and Inland Transit	139,522	5.9	140,303	0.6	143,656	2.4	136,628	-4.9	129,466	-0.1
Total	4,257,055	1.1	4,278,443	0.5	4,378,697	2.3	4,353,561	-0.6	4,310,089	-1.0

6. Direct Premiums of Foreign General Insurers

(in millions of yen and %)

Class of Business	Fiscal 1999		Fiscal 2000		Fiscal 2001		Fiscal 2002	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	30,643	-4.8	30,290	-1.2	30,560	0.9	33,133	8.4
Voluntary Automobile	98,352	16.4	104,013	5.8	110,405	6.1	113,364	2.7
Personal Accident	129,608	0.1	136,204	5.1	144,959	6.4	153,093	5.6
Miscellaneous Casualty	40,323	16.0	43,977	9.1	40,023	-9.0	41,162	2.8
Marine and Inland Transit	7,103	-7.6	7,358	3.6	6,830	-7.2	7,470	9.4
Compulsory Automobile Liability	7,050	1.1	6,578	-6.7	6,541	-0.6	7,786	19.0
Total	313,079	5.9	328,420	4.9	339,318	3.3	356,008	4.9

Class of Business	Fiscal 2003		Fiscal 2004		Fiscal 2005		Fiscal 2006	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	39,662	19.7	42,638	7.5	46,973	10.2	48,885	4.1
Voluntary Automobile	114,728	1.2	115,903	1.0	117,084	1.0	116,107	-0.8
Personal Accident	152,073	-0.7	151,870	-0.1	169,763	11.8	168,475	-0.8
Miscellaneous Casualty	39,426	-4.2	37,768	-4.2	41,624	10.2	57,554	38.3
Marine and Inland Transit	7,284	-2.5	7,371	1.2	7,814	6.0	8,547	9.4
Compulsory Automobile Liability	7,534	-3.2	6,976	-7.4	6,272	-10.1	5,943	-5.3
Total	360,707	1.3	362,526	0.5	389,529	7.4	405,511	4.1

Class of Business	Fiscal 2007		Fiscal 2008		Fiscal 2009		Fiscal 2010	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	51,298	4.9	51,003	-0.6	51,181	<i>0.3</i>	53,919	5.3
Voluntary Automobile	115,108	-0.9	110,731	-3.8	105,126	<i>-5.1</i>	102,210	-2.8
Personal Accident	159,234	-5.5	149,981	-5.8	147,706	<i>-1.5</i>	150,730	2.0
Miscellaneous Casualty	71,614	24.4	75,923	6.0	76,332	<i>0.5</i>	78,346	2.6
Marine and Inland Transit	8,942	4.6	8,519	-4.7	6,854	<i>-19.5</i>	7,027	2.5
Compulsory Automobile Liability	5,447	-8.3	3,995	-26.7	3,703	<i>-7.3</i>	3,462	-6.5
Total	411,643	1.5	400,152	-2.8	390,902	-2.3	395,694	1.2

- (Notes) 1. 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.
2. The growth figures quoted in the 2009-2010 Fact Book for Fiscal 2009 were incorrect, so those have been corrected and are shown in *italics*.

7. Direct Premiums Written Abroad by Japanese General Insurers

(in millions of yen and %)

Class of Business	Fiscal 2001		Fiscal 2002		Fiscal 2003		Fiscal 2004		Fiscal 2005	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	13,883	5.1	14,983	7.9	17,665	17.9	17,953	1.6	20,427	13.8
Automobile	112,573	9.3	13,030	3.6	15,028	15.3	15,350	2.1	16,170	5.3
Marine Hull	134	32.7	33	-75.4	17	-48.5	15	-11.8	12	-19.3
Marine Cargo	5,665	-30.4	5,896	4.1	7,402	25.5	8,891	20.1	10,029	12.8
Others	30,942	19.9	29,933	-3.3	31,149	4.1	26,792	-14.0	28,035	4.6
Total	63,198	7.6	63,875	1.1	71,261	11.6	69,001	-3.2	74,673	8.2

Class of Business	Fiscal 2006		Fiscal 2007		Fiscal 2008		Fiscal 2009		Fiscal 2010	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	26,484	29.7	30,409	14.8	23,107	-24.0	17,517	-24.2	15,288	-12.7
Automobile	118,495	14.4	19,343	4.6	17,398	-10.1	15,566	-10.5	15,612	0.3
Marine Hull	32	166.7	136	325.0	21	-84.6	17	-19.0	39	129.4
Marine Cargo	11,975	19.4	12,770	6.6	9,344	-26.8	5,460	-41.6	5,617	2.9
Others	31,018	10.6	30,621	-1.3	26,950	-12.0	22,131	-17.9	18,150	-18.0
Total	88,003	17.9	93,278	6.0	76,820	-17.6	60,691	-21.0	54,707	-9.9

8. International Reinsurance Business

Outward Reinsurance Balance

(in billions of yen)

Fiscal Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Premiums (paid)	251.6	264.1	255.7	244.1	248.4	290.7	292.5	294.6	327.2	315.7
Claims (received)	114.4	114.1	123.5	242.1	162.7	118.2	125.8	149.8	147.6	141.4
Balance	-137.2	-150.0	-132.2	-2.0	-85.7	-172.5	-166.7	-144.7	-179.5	-174.3

(Notes) 1. The figures quoted in the 2009-2010 Fact Book for Fiscal 2009 were incorrect, so those have been corrected and are shown in Italic.

2. Claims (received) include reinsurance commission.

Inward Reinsurance Balance

(in billions of yen)

Fiscal Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Premiums (received)	202.5	250.4	225.1	195.4	212.7	240.8	230.3	211.2	183.1	201.0
Claims (paid)	236.4	244.3	279.4	212.6	227.3	225.8	229.2	195.6	191.0	194.9
Balance	-33.9	6.1	-54.3	-17.2	-14.6	15.0	1.1	15.6	-7.9	6.1

(Notes) 1. The figures quoted in the 2009-2010 Fact Book for Fiscal 2009 were incorrect, so those have been corrected and are shown in Italic.

2. Claims (paid) include reinsurance commission.

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	2001	2002	2003
Subsidiaries (Note 2)	13	12	11
Direct Insurance Subsidiaries with 50% or more Japanese Capital (Note 3)	12	11	10
Branches of Direct Insurance Subsidiaries	7	6	6
Agents of Direct Insurance Subsidiaries	4	5	5
Number of Insurance Companies Operating in Any One of the Above 3 Categories.	12	11	10
Overseas Branches	5	3	3
Overseas Agents	10	8	7
Number of Insurance Companies Which Has Either Branch Offices or Agents Abroad	10	8	7
Number of Insurance Companies Operating in Any One of the Above Categories Abroad	14	12	11

Number of Countries / Regions (Note 4)

Type of Office	2001	2002	2003
Subsidiaries (Note 2)	25	25	24
Direct Insurance Subsidiaries with 50% or more Japanese Capital (Note 3)	20	15	15
Branches of Direct Insurance Subsidiaries	9	16	11
Agents of Direct Insurance Subsidiaries	11	14	12
Number of Insurance Companies Operating in Any One of the Above 3 Categories.	28	27	26
Overseas Branches	6	5	6
Overseas Agents	18	17	17
Number of Regions Where Insurance Companies Have Either Branch Offices or Agents Abroad	22	21	22
Number of Regions Where Insurance Companies Operating in Any One of the Above Categories Abroad	50	46	47

Number of Japanese Insurers' Offices Abroad

Type of Office	2001	2002	2003
Subsidiaries (Note 2)	117	113	93
Reinsurance Subsidiaries and Direct Insurance Subsidiaries with less than 50% of Japanese Capital	50	51	42
Direct Insurance Subsidiaries with 50% or more Japanese Capital (Note 3)	67	62	51
Branches of Direct Insurance Subsidiaries	24	65	34
Agents of Direct Insurance Subsidiaries	29	30	25
Sub-total	170	208	152
Overseas Branches	7	6	7
Overseas Agents	62	53	51
Sub-total	69	59	58
Grand total	239	267	210

Liaison Offices

	2001	2002	2003
Number of Japanese Insurers with Liaison Offices	14	12	11
Number of Countries / Regions	44	46	46
Number of Cities	82	81	82
Number of Offices	224	193	178

- (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.
 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.

2004	2005	2006	2007	2008	2009	2010	2011
11	9	10	10	10	9	9	8
10	8	9	9	9	7	7	6
6	6	6	6	6	6	5	5
6	5	5	5	4	4	4	4
10	8	9	9	9	7	7	6
3	3	3	3	3	1	2	1
7	6	6	6	6	6	6	5
7	6	6	6	6	6	6	5
11	9	10	10	10	9	9	8

2004	2005	2006	2007	2008	2009	2010	2011
24	24	22	23	22	26	27	28
16	13	16	17	16	16	17	19
9	9	11	13	13	22	14	14
12	12	12	13	12	12	12	12
26	25	28	30	27	30	32	33
6	7	7	7	7	5	6	6
15	15	14	14	14	14	14	14
20	20	19	19	19	17	17	17
49	44	45	45	44	51	50	50

2004	2005	2006	2007	2008	2009	2010	2011
93	90	93	97	99	108	108	104
40	39	39	38	40	38	34	29
53	51	54	59	59	70	74	75
31	30	49	50	54	116	36	36
25	25	24	24	20	19	19	18
148	145	166	171	173	243	163	158
9	10	9	9	9	5	7	6
45	40	38	38	38	37	36	32
54	50	47	47	47	42	43	38
202	195	213	218	220	285	206	196

2004	2005	2006	2007	2008	2009	2010	2011
11	10	10	10	10	10	10	7
46	42	43	43	43	44	41	42
81	77	78	77	79	81	78	79
178	171	175	172	174	179	174	172

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

10. International Comparison of General Insurance Premium Volume (2009)

Country (Region)	Gross Direct Premiums			Gross Direct Premiums GDP		Per Capita Premiums	
	(in millions of yen)	Rank	Share (%)	(%)	Rank	(yen)	Rank
U.S.A.	60,654,088	1	37.20	4.55	4	197,437	3
Germany	11,974,373	2	7.34	3.77	10	144,054	8
Japan	10,085,446	3	6.18	2.12	33	79,318	23
U.K.	8,932,791	4	5.48	2.98	15	98,363	16
France	8,328,855	5	5.11	3.13	12	120,675	13
Netherlands	6,961,692	6	4.27	9.33	1	421,951	1
Canada	5,085,868	7	3.12	4.06	8	151,485	7
Italy	5,060,411	8	3.10	2.42	24	79,626	22
China	5,041,787	9	3.09	1.08	70	3,744	75
Spain	4,079,495	10	2.50	2.97	16	88,798	19
Russia	3,644,395	11	2.23	2.46	23	25,868	39
South Korea	3,202,275	12	1.96	3.86	9	65,822	25
Australia	2,612,939	13	1.60	2.85	17	122,715	12
Brazil	2,248,313	14	1.38	1.53	59	11,605	54
Switzerland	2,084,998	15	1.28	4.52	5	269,184	2
Belgium	1,408,904	16	0.86	2.66	19	109,575	14
Venezuela	1,263,839	17	0.78	4.14	7	44,212	32
Austria	1,174,461	18	0.72	3.30	11	140,460	9
Taiwan	1,070,950	19	0.66	3.10	13	46,308	30
Denmark	1,007,590	20	0.62	3.04	14	160,310	5
Other Countries	17,139,511	—	10.52	—	—	—	—
Total/Average	163,062,980	—	100.00	2.98	—	23,865	—

- (Notes)
1. Figures are compiled by the GIAJ based on the "Sigma No.2/2010" by Swiss Re.
 2. Total (average) figures are those total (average) figures of 159 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=93.59 yen) is the average exchange rate for 2009.



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 following 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 25 member companies as of September 1, 2011.

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.

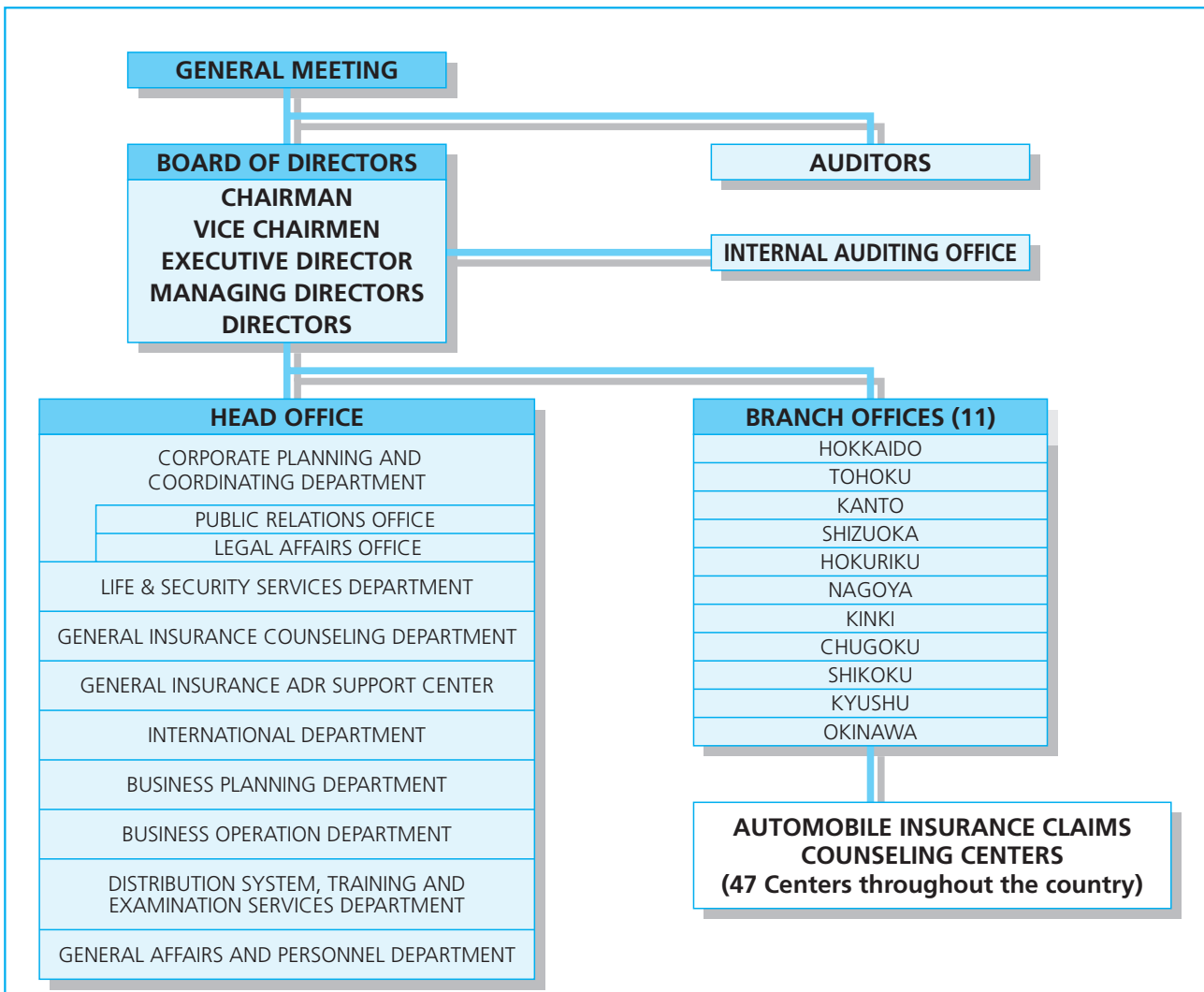
d. Contribution to Safety and Security in Society and the Community

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 September 1, 2011)



(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 (28 Companies as of July 1, 2011)

- ACE Insurance
- Aioi Nissay Dowa Insurance Co., Ltd.
- Allianz Fire and Marine Insurance Japan Ltd.
- Anicom Insurance, Inc.
- The Asahi Fire & Marine Insurance Co., Ltd.
- au 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 Toa Reinsurance Co., Ltd.
- Tokio Marine & Nichido Fire Insurance Co., Ltd.

(● represents the GIAJ member companies.)

2 Licensed Foreign Companies (22 Companies as of July 1, 2011)

- AIU Insurance Company (U.S.A.)
- American Home Assurance Company (U.S.A.)
- Assicurazioni Generali S.p.A. (Italy)
- Assuranceforeningen GARD - gjensidig (Norway)
- Atradius Credit Insurance NV (Netherlands)
- The Britannia Steam Ship Insurance Association Ltd. (U.K.)
- CARDIF-Assurances Risques Divers (France)
- Coface Japan (Compagnie Française d'Assurance pour le Commerce Extérieur / 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)
- Muenchener Rueckversicherungs-Gesellschaft Aktiengesellschaft in Muenchen (Germany)
- RGA Reinsurance Company (U.S.A.)
- The Society of Lloyd's (U.K.) [Lloyd's Japan Inc.]
- Swiss Reinsurance Company Ltd (Switzerland)
- Swiss Re International SE (Luxembourg)
- 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 July 1, 2011)

- 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.
- The Small Amount & Short Term Insurance Association of Japan
- Japan Insurance Brokers Association

– 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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