

GENERAL INSURANCE IN JAPAN



(Correction) Some figures on page 9 and 16 were revised in December 2013.

CONTENTS

	Page
I. Key Figures of General Insurance for Fiscal 2011	
1. The Number of General Insurance Companies	2
2. The Number of Agencies and Sales Staff of Agencies	2
3. Premiums	3
4. The Amount of Claims Paid	3
5. Assets and Investments	4
6. Ordinary Profits and Net Profits for the Current Year	4
7. Loss Ratio and Operating Expenses Ratio	5
8. Ownership of General Insurance Policies	5
II. Statistics	
1. Income Statement	6
2. Abridged Balance Sheet	7
3. Direct Premiums by Line	8
4. Net Premiums by Line	10
5. Direct Claims Paid by Line	11
6. Direct Premiums of Foreign General Insurers	12
7. Direct Premiums Written Abroad by Japanese General Insurers	13
8. International Reinsurance Business	13
9. Japanese Insurers' Offices Abroad (as of April 1 each year)	14
10. International Comparison of General Insurance Premium Volume (2010)	16
III. Outline of the General Insurance Association of Japan	
1. History	17
2. Objective	17
3. Major Activities	17
4. Organization (as of September 1, 2012)	18
IV. Directory	
1. Licensed Domestic Companies (29 Companies as of July 1, 2012)	19
2. Licensed Foreign Companies (24 Companies as of July 1, 2012)	20
3. General Insurance Organizations (as of July 1, 2012)	20

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Key Figures of General Insurance for Fiscal 2011

1 The Number of General Insurance Companies

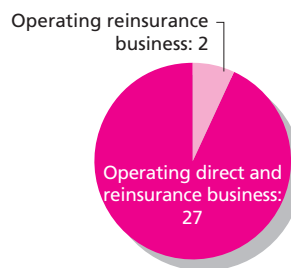
Total: **53**
 Domestic insurers: **29**
 Foreign insurers: **24**

As of July 1, 2012, a total of 53 general insurance companies were operating in Japan; a total of 29 companies were licensed as domestic insurers, including 5 foreign capital domestic insurers, while 24 companies were licensed as foreign insurers.

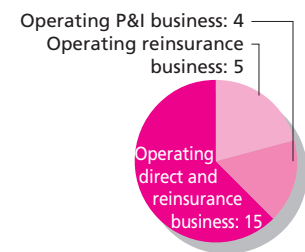
The number of people working in general insurance, including management, sales staff and temporary staff, was 90,178 as of April 1, 2012.

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

Agencies
 (at the end of fiscal 2011):
197,005

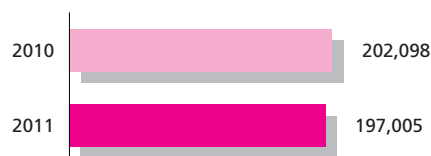
Agency sales staff
 (at the end of fiscal 2011):
2,139,475

The number of agencies decreased by 2.5%, and the number of sales staff also decreased by 1.6%.

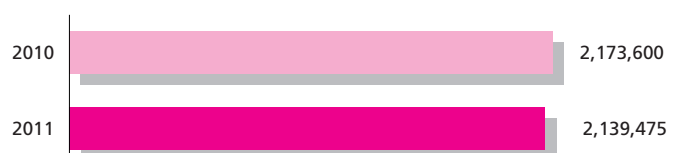
There were 197,005 general insurance agencies of domestic and foreign general insurers and 2,139,475 sales staff were engaged in the agency business at the end of fiscal 2011.

These agencies shared 92.0% of the written direct premiums in fiscal 2011.

The number of agencies



The number of agency sales staff



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

3 Premiums

Direct premiums:

7,992.3 billion yen

Net premiums:

7,116.1 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

The total of direct premiums, including the savings portion thereof, written in fiscal 2011 was 7,992.3 billion yen, up 3.2%. The total of net premiums written was 7,116.1 billion yen, up 2.1% (The figures are the totals for GIAJ member companies.).

Direct premiums



Net premiums



4 The Amount of Claims Paid

Net claims paid:

5,505.8 billion yen

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

Net claims paid on all classes of insurance during fiscal 2011 amounted to 5,505.8 billion yen, a drastic increase of 27.5% compared with the previous term due to the Great East Japan Earthquake, typhoons in Japan and massive floods in Thailand (The figures are the totals for GIAJ member companies.).

Net claims paid



5 Assets and Investments

Total assets:

27,995.8 billion yen

Working assets:

24,865.8 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.)

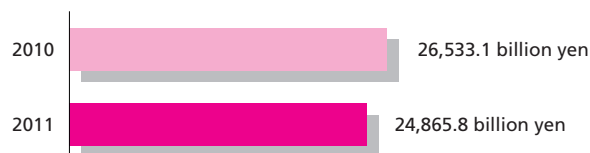
Working assets: Working assets include deposits, call loans, monetary receivables bought, money trusts, securities, loans, real estate, etc.

Total assets decreased 5.7% to 27,995.8 billion yen, reflecting the large volume of claim payments for the Great East Japan Earthquake. Working assets also decreased to 24,865.8 billion yen, down 6.3% (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:

80.1 billion yen

Net profits:

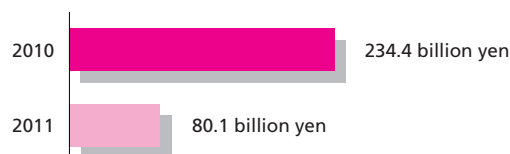
-262.1 billion yen

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

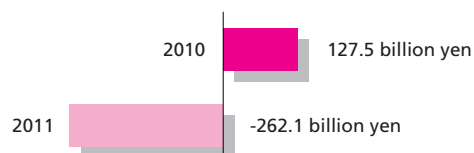
Net profit: The total of ordinary profits including special profits or losses minus corporate income taxes, corporate resident taxes, etc.

Ordinary profits for fiscal 2011 decreased to 80.1 billion yen, due to the typhoons in Japan and massive floods in Thailand. Net profits after tax also decreased to -262.1 billion yen (The figures are the totals for GIAJ member companies.).

■ Ordinary profits



■ Net profits



7 Loss Ratio and Operating Expenses Ratio

Loss ratio:

83.4%

Operating expenses ratio:

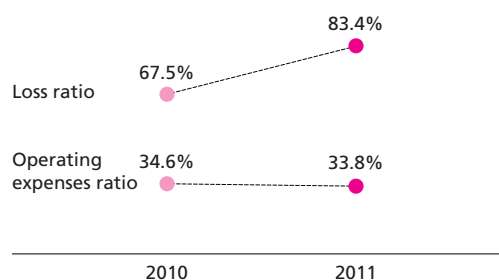
33.8%

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

The loss ratio increased by 15.9% to 83.4% due to increased insurance payments for fire insurance. The operating expenses ratio decreased by 0.8% to 33.8% in fiscal 2011 (The figures are the totals for GIAJ member companies.).

Loss ratio / Operating expenses ratio



8 Ownership of General Insurance Policies

Earthquake: **26.0%**
(at the end of fiscal 2011)

Voluntary Automobile
(bodily injury liability):

73.4%

(at the end of fiscal 2010)

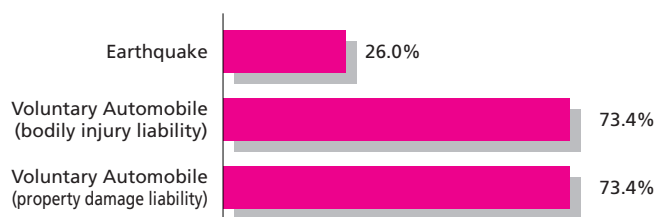
Voluntary Automobile
(property damage liability):

73.4%

(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 26.0% at the end of fiscal 2011.

Ownership by line



Ownership of Earthquake Insurance on Dwelling Risks Policies

Fiscal Year	2007	2008	2009	2010	2011
National Average	21.4%	22.4%	23.0%	23.7%	26.0%

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

Ownership of Voluntary Automobile Insurance

Fiscal Year	2006	2007	2008	2009	2010
Number of Registered Automobiles (thousand)	79,236	79,080	78,800	78,693	78,661
Bodily Injury Liability	71.5%	72.2%	72.8%	73.0%	73.4%
Property Damage Liability	71.5%	72.2%	72.8%	73.1%	73.4%
Passengers' Personal Accident	58.6%	58.6%	58.3%	57.7%	50.3%
Physical Damage	38.3%	39.5%	40.3%	41.2%	41.8%

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



Statistics

1. Income Statement

(in billions of yen & %)

Item	Fiscal 2010		Fiscal 2011	
	Amount	Growth	Amount	Growth
Ordinary Profit and Loss				
Underwriting Income	8562.1	0.2	9,381.1	9.6
Net Premiums Written	6971.0	—	7,116.1	2.1
Savings Portion of Maturity-refund type Insurance Premiums	572.9	-3.0	576.0	0.6
Underwriting Expenses	7548.3	3.9	8,498.6	12.6
Net Claims Paid	4318.7	-1.1	5,505.8	27.5
Loss Adjustment Expenses	384.4	1.9	432.0	12.4
Agency Commissions and Brokerage	1220.3	0.1	1,239.8	1.6
Maturity Refunds to Policyholders	1236.2	3.3	1,067.6	-13.6
Net Provision for / Net Reversal of Outstanding Loss Reserves	309.1	—	71.7	-76.8
Net Provision for / Net Reversal of Underwriting Reserves	-722.5	—	-1,305.7	—
Investment Income	656.2	14.6	648.6	-1.2
Interest and Dividend Income	511.8	2.0	477.3	-6.7
Profits on Sales of Securities	299.4	34.3	333.7	11.4
Investment Expenses	175.1	-12.9	231.3	32.1
Losses on Sales of Securities	47.4	-32.0	93.8	97.8
Losses on Revaluation of Securities	52.3	10.3	84.1	60.7
Operating and General Administrative Expenses	1,264.8	-2.4	1,229.9	-2.8
Operating and General Administrative Expenses on Underwriting	1,192.2	-2.3	1,162.7	-2.5
Other Ordinary Profits and Losses	4.2	—	10.2	144.2
Ordinary Profits	234.4	-33.1	80.1	-65.8
Underwriting Profits	-183.2	-437.6	-339.1	—
Special Profits and Losses Balance	-68.3	—	-49.7	—
Profits for the Current Year before Corporate Taxes	166.1	-47.3	30.5	-81.7
Corporate Income Taxes and Corporate Resident Taxes	44.0	-39.4	61.7	40.3
Adjustments in Corporate Income Taxes, etc.	-5.4	-115.2	230.8	—
Total Income Taxes	38.6	-64.4	292.5	658.8
Net Profits for the Current Year	127.5	-38.4	-262.1	-305.6

2. Abridged Balance Sheet

<Assets>

(in billions of yen & %)

Item	Fiscal 2010		Fiscal 2011	
	Amount	Share	Amount	Share
Deposits	904.3	3.0	914.6	3.3
Call Loans	757.4	2.5	380.1	1.4
Receivables under Resales Agreements	167.5	0.6	407.1	1.4
Monetary Receivables Bought	948.9	3.2	674.1	2.4
Money Trusts	78.0	0.3	58.1	0.2
Securities	20,437.4	68.9	19,435.0	69.4
National Government Bonds	5,098.4	17.2	5,776.9	20.6
Local Government Bonds	531.1	1.8	392.4	1.4
Corporate Bonds	3,292.5	11.1	2,920.0	10.4
Stocks	6,439.4	21.7	5,724.2	20.5
Foreign Securities	4,751.8	16.0	4,323.5	15.4
Other Securities	324.2	1.1	298.1	1.1
Loans	2,167.9	7.3	1,921.9	6.9
Real Estate	1,071.8	3.6	1,074.9	3.8
Total Working Assets	26,533.1	89.4	24,865.8	88.8
Other Assets	3,140.2	10.6	3,130.0	11.2
Total Assets	29,673.3	100.0	27,995.8	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 2010		Fiscal 2011	
	Amount	Share	Amount	Share
Underwriting Reserves	21,639.3	72.9	20,406.3	72.9
Outstanding Loss Reserves	3,437.1	11.6	3,508.9	12.5
Technical Provision	18,202.2	61.3	16,897.4	60.4
Other Liabilities	3,264.4	11.0	3,262.5	11.6
Total Liabilities	24,903.7	83.9	23,668.8	84.5
Capital	828.7	2.8	839.7	3.0
Suspense Receipts on Capital Subscriptions	—	—	—	—
Additional Paid in Capital	562.4	1.9	507.8	1.8
Earned Surplus	1,548.4	5.2	1,069.7	3.8
Earned Surplus Carried Forward	—	—	—	—
Treasury Stock	-6.2	—	-6.1	-0.1
Unrealized Gain on Securities, Net of Income Taxes	1,820.5	6.1	1,882.8	6.7
Deferred Gains and Losses on Hedge Transactions	29.0	0.1	45.4	0.2
Land Revaluation Excess	-13.4	-0.0	-12.3	-0.0
Stock Acquisition Right	0.1	0.0	—	—
Total Equities	4,769.6	16.1	4,327.0	15.5
Total Liabilities and Equities	29,673.3	100.0	27,995.8	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 2002		Fiscal 2003		Fiscal 2004		Fiscal 2005	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	1,493,409	-0.9	1,471,055	-1.5	1,463,668	-0.5	1,486,268	1.5
Maturity-refund type	452,097	-5.5	390,256	-13.7	363,916	-6.7	334,870	-8.0
Voluntary Automobile	3,605,362	-1.9	3,553,918	-1.4	3,503,607	-1.4	3,501,836	-0.1
Maturity-refund type	12,942	-12.3	10,183	-21.3	8,180	-19.7	7,433	-9.1
Personal Accident	1,578,112	-2.9	1,485,479	-5.9	1,478,874	-0.4	1,377,460	-6.9
Maturity-refund type	994,982	-4.4	900,915	-9.5	864,428	-4.0	737,305	-14.7
Miscellaneous Casualty	779,889	-0.5	776,931	-0.4	784,793	1.0	796,556	1.5
Maturity-refund type	17,958	-35.6	12,279	-31.6	8,628	-29.7	9,448	9.5
Burglary	23,565	-10.4	20,343	-13.7	18,784	-7.7	17,875	-4.8
Glass	1,991	-8.6	1,838	-7.7	1,692	-7.9	1,504	-11.1
Aviation	51,358	33.5	48,103	-6.3	35,738	-25.7	32,321	-9.6
Windstorm & Flood	247	-1.0	252	2.1	366	45.1	411	12.3
Guarantee	12,887	-22.8	11,026	-14.4	10,430	-5.4	10,713	2.7
Credit	31,326	22.2	30,568	-2.4	30,263	-1.0	30,102	-0.5
Workers' Accident Compensation Liability	79,695	-6.4	75,685	-5.0	70,090	-7.4	69,549	-0.8
Maturity-refund type	12,687	-8.4	10,746	-15.3	6,471	-39.8	8,190	26.6
Boiler & Turbo-set	2,395	-8.0	2,528	5.6	2,412	-4.6	2,357	-2.3
Livestock	3,047	14.0	3,007	-1.3	3,204	6.6	3,182	-0.7
General Liability	334,445	0.5	356,603	6.6	382,224	7.2	401,330	5.0
Machinery & Erection	33,734	-6.8	32,261	-4.4	32,665	1.3	34,583	5.9
Shipowners' Liability for Passengers' Personal Accident	842	1.5	814	-3.3	759	-6.7	781	2.9
Contractors' All Risks	34,375	-2.7	34,450	0.2	36,404	5.7	36,993	1.6
Atomic Energy	11,065	7.2	10,874	-1.7	10,426	-4.1	11,252	7.9
Movables Comprehensive	120,005	-1.6	113,212	-5.7	107,732	-4.8	103,934	-3.5
Maturity-refund type	589	-37.9	305	-48.2	155	-48.9	41	-73.2
Miscellaneous Pecuniary Loss	38,912	-16.7	35,367	-9.1	41,596	17.6	39,663	-4.6
Maturity-refund type	4,682	-64.2	1,228	-73.8	2,001	62.9	1,215	-39.2
Pet	—	—	—	—	—	—	—	—
Marine and Inland Transit	251,189	0.2	258,862	3.1	269,166	4.0	284,759	5.8
Marine Hull	57,957	-8.1	59,136	2.0	58,680	-0.8	62,747	6.9
Marine Cargo	130,442	5.1	134,959	3.5	143,754	6.5	154,022	7.1
Inland Transit	62,790	-1.1	64,767	3.1	66,731	3.0	67,989	1.9
Subtotal	7,707,962	-1.7	7,546,244	-2.1	7,500,110	-1.1	7,446,881	-0.7
Compulsory Automobile Liability	1,190,710	20.7	1,201,820	0.9	1,189,010	-1.1	1,144,548	-3.7
Grand total	8,898,672	0.8	8,748,064	-1.7	8,689,120	-0.7	8,591,430	-1.1
Maturity-refund type	1,477,980	-5.4	1,313,633	-11.1	1,245,154	-5.2	1,089,058	-12.5

(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 2006		Fiscal 2007		Fiscal 2008		Fiscal 2009		Fiscal 2010		Fiscal 2011	
Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
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	1,377,306	4.7
298,214	-10.9	271,036	-9.1	253,328	-6.5	244,666	-3.4	213,204	-12.9	201,925	-5.3
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	3,476,089	1.3
6,759	-9.1	6,064	-10.3	5,295	-12.7	2,823	-46.7	1,001	-64.5	106	-89.4
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	1,067,749	2.6
644,512	-12.6	559,501	-13.2	471,663	-15.7	390,755	-17.2	396,559	1.5	409,703	3.3
829,201	4.1	828,219	-0.1	853,364	3.0	892,174	4.5	896,566	0.5	922,273	2.9
3,487	-63.1	3,846	10.3	1,417	-63.2	489	-65.5	424	-13.3	765	80.4
15,587	-12.8	13,714	-12.0	12,915	-5.8	11,196	-13.3	10,286	-8.1	9,856	-4.2
1,302	-13.2	1,222	-6.1	1,045	-14.5	915	-12.4	820	-10.4	791	-3.5
30,050	-7.0	28,007	-6.8	23,654	-15.5	20,700	-12.5	19,503	-5.8	16,845	-13.6
325	-20.5	233	-28.3	260	11.6	197	-24.2	68	-65.5	58	-14.7
11,913	11.3	11,511	-3.4	12,060	4.8	10,908	-9.6	10,343	-5.2	10,600	2.5
31,999	6.3	33,879	5.9	38,928	14.9	39,306	1.0	35,754	-9.0	34,973	-2.2
63,305	-9.0	62,747	-0.9	58,363	-7.0	53,450	-8.4	48,866	-8.6	48,493	-0.8
3,016	-63.2	3,585	18.9	1,284	-64.2	152	-88.2	-24	-115.8	15	—
2,360	0.1	2,351	-0.4	2,278	-3.1	2,368	4.0	2,333	-1.5	2,295	-1.6
3,541	11.3	3,570	0.8	3,303	-7.5	2,940	-11.0	2,926	-0.5	3,102	6.0
436,922	8.9	438,674	0.4	440,181	0.3	474,757	7.9	474,877	0.0	476,378	0.3
35,905	3.8	35,540	-1.0	34,325	-3.4	32,317	-5.8	31,273	-3.2	30,661	-2.0
722	-7.2	743	2.9	733	-1.3	709	-3.3	644	-9.2	639	-0.8
40,607	9.8	41,079	1.2	40,792	-0.7	36,231	-11.2	32,121	-11.3	36,346	13.2
11,356	1.0	11,007	-3.1	10,301	-6.4	10,747	4.3	10,088	-6.1	8,602	-14.7
103,073	-0.8	100,030	-3.0	95,327	-4.7	86,359	-9.4	82,254	-4.8	82,485	0.3
2	-94.9	0	-100.0	0	—	—	—	—	—	—	—
40,148	1.2	43,816	9.1	72,368	65.2	100,000	38.2	123,467	23.5	143,187	16.0
468	-61.4	257	-45.1	134	-47.9	334	149.3	447	33.8	748	67.3
—	—	—	—	6,441	—	8,980	39.4	10,858	20.9	16,872	55.4
303,734	6.7	317,485	4.5	298,629	-5.9	248,395	-16.8	257,315	3.6	257,085	-0.1
68,359	9.0	72,617	6.2	73,110	0.7	73,405	0.4	71,408	-2.7	71,528	0.2
166,997	8.4	175,170	4.9	156,343	-10.7	112,392	-28.1	125,113	11.3	123,325	-1.4
68,369	0.6	69,690	1.9	69,167	-0.8	62,590	-9.5	60,790	-2.9	62,225	2.4
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	7,100,544	2.3
1,128,961	-1.4	1,041,570	-7.7	868,362	-16.6	805,834	-7.2	806,334	0.1	891,712	10.6
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	7,992,256	3.2
952,972	-12.5	840,447	-11.8	731,703	-12.9	638,733	-12.7	611,188	-4.3	612,499	0.2

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 2002		Fiscal 2003		Fiscal 2004		Fiscal 2005		Fiscal 2006	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	1,030,541	-0.1	1,044,867	1.4	1,030,154	-1.4	1,080,722	4.9	1,085,433	0.4
Voluntary Automobile	3,612,464	-1.7	3,558,174	-1.5	3,507,923	-1.4	3,507,502	0.0	3,525,092	0.5
Personal Accident	636,727	-1.4	631,012	-0.9	649,832	3.0	666,360	2.5	669,354	0.4
Miscellaneous Casualty	760,987	4.9	766,194	0.7	779,402	1.7	803,847	3.1	832,604	3.6
Marine and Inland Transit	233,426	0.7	241,279	3.4	252,668	4.7	270,257	7.0	288,652	6.8
Marine Hull	44,059	-7.8	44,709	1.5	44,504	-0.5	47,909	7.7	52,668	9.9
Marine Cargo	130,732	5.5	136,367	4.3	146,003	7.1	158,657	8.7	171,672	8.2
Inland Transit	58,624	-2.4	60,190	2.7	62,151	3.3	63,685	2.5	64,304	1.0
Subtotal	6,274,207	-0.6	6,241,589	-0.5	6,220,035	-0.3	6,328,735	1.7	6,401,188	1.1
Compulsory Automobile Liability	1,011,677	76.8	1,195,639	18.2	1,191,923	-0.3	1,156,706	-3.0	1,135,988	-1.8
Grand total	7,285,884	5.9	7,437,228	2.1	7,411,958	-0.3	7,485,441	1.0	7,537,176	0.7

(in millions of yen & %)

Class of Business	Fiscal 2007		Fiscal 2008		Fiscal 2009		Fiscal 2010		Fiscal 2011	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	1,055,422	-2.8	1,065,231	0.9	1,054,132	-1.0	1,007,338	-4.4	1,032,508	2.5
Voluntary Automobile	3,502,621	-0.6	3,456,548	-1.3	3,426,637	-0.9	3,456,389	0.9	3,501,458	1.3
Personal Accident	659,263	-1.5	647,178	-1.8	639,568	-1.2	647,717	1.3	661,840	2.2
Miscellaneous Casualty	828,328	-0.5	834,096	0.7	826,385	-0.9	818,851	-0.9	826,369	0.9
Marine and Inland Transit	299,379	3.7	275,559	-8.0	224,793	-18.4	232,396	3.4	231,868	-0.2
Marine Hull	55,281	5.0	55,211	-0.1	56,898	3.1	55,306	-2.8	56,114	1.5
Marine Cargo	178,192	3.8	154,666	-13.2	108,724	-29.7	119,774	10.2	117,610	-1.8
Inland Transit	65,900	2.5	65,672	-0.3	59,162	-9.9	57,310	-3.1	58,138	1.4
Subtotal	6,345,070	-0.9	6,278,665	-1.0	6,171,571	-1.7	6,162,740	-0.1	6,254,095	1.5
Compulsory Automobile Liability	1,124,977	-1.0	883,171	-21.5	799,543	-9.5	808,254	1.1	862,038	6.7
Grand total	7,470,047	-0.9	7,161,836	-4.1	6,971,114	-2.7	6,970,994	-0.0	7,116,133	2.1

(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 2002		Fiscal 2003		Fiscal 2004		Fiscal 2005		Fiscal 2006	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	291,620	-10.3	310,507	6.5	853,409	174.8	476,474	-44.2	464,711	-2.5
Voluntary Automobile	2,042,634	-3.4	2,017,372	-1.2	2,092,717	3.7	2,079,897	-0.6	2,109,383	1.4
Compulsory Automobile Liability	904,202	1.6	915,683	1.3	879,610	-3.9	856,479	-2.6	818,613	-4.4
Personal Accident	256,288	-3.5	250,299	-2.3	243,492	-2.7	259,012	6.4	287,596	11.0
Miscellaneous Casualty	420,327	-2.6	417,692	-0.6	457,285	9.5	408,078	-10.8	437,185	7.1
Marine and Inland Transit	121,369	-13.6	143,435	18.2	129,314	-9.8	131,799	1.9	139,522	5.9
Total	4,036,443	-3.1	4,054,991	0.5	4,655,831	14.8	4,211,742	-9.5	4,257,055	1.1

(in millions of yen & %)

Class of Business	Fiscal 2007		Fiscal 2008		Fiscal 2009		Fiscal 2010		Fiscal 2011	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	397,528	-14.5	397,948	0.1	374,606	-5.9	356,898	-4.7	2,296,870	543.6
Voluntary Automobile	2,147,724	1.8	2,155,859	0.4	2,176,101	0.9	2,216,405	1.9	2,234,001	0.8
Compulsory Automobile Liability	824,032	0.7	807,692	-2.0	795,450	-1.5	791,484	-0.5	801,485	1.3
Personal Accident	323,470	12.5	343,003	6.0	350,805	2.3	348,137	-0.8	348,257	0.0
Miscellaneous Casualty	445,340	1.9	530,498	19.1	519,920	-2.0	467,655	-10.1	488,831	4.5
Marine and Inland Transit	140,303	0.6	143,656	2.4	136,628	-4.9	129,466	-0.1	161,915	25.1
Total	4,278,443	0.5	4,378,697	2.3	4,353,561	-0.6	4,310,089	-1.0	6,331,400	46.9

6. Direct Premiums of Foreign General Insurers

(in millions of yen and %)

Class of Business	Fiscal 2000		Fiscal 2001		Fiscal 2002		Fiscal 2003	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	30,290	-1.2	30,560	0.9	33,133	8.4	39,662	19.7
Voluntary Automobile	104,013	5.8	110,405	6.1	113,364	2.7	114,728	1.2
Personal Accident	136,204	5.1	144,959	6.4	153,093	5.6	152,073	-0.7
Miscellaneous Casualty	43,977	9.1	40,023	-9.0	41,162	2.8	39,426	-4.2
Marine and Inland Transit	7,358	3.6	6,830	-7.2	7,470	9.4	7,284	-2.5
Compulsory Automobile Liability	6,578	-6.7	6,541	-0.6	7,786	19.0	7,534	-3.2
Total	328,420	4.9	339,318	3.3	356,008	4.9	360,707	1.3

Class of Business	Fiscal 2004		Fiscal 2005		Fiscal 2006		Fiscal 2007	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	42,638	7.5	46,973	10.2	48,885	4.1	51,298	4.9
Voluntary Automobile	115,903	1.0	117,084	1.0	116,107	-0.8	115,108	-0.9
Personal Accident	151,870	-0.1	169,763	11.8	168,475	-0.8	159,234	-5.5
Miscellaneous Casualty	37,768	-4.2	41,624	10.2	57,554	38.3	71,614	24.4
Marine and Inland Transit	7,371	1.2	7,814	6.0	8,547	9.4	8,942	4.6
Compulsory Automobile Liability	6,976	-7.4	6,272	-10.1	5,943	-5.3	5,447	-8.3
Total	362,526	0.5	389,529	7.4	405,511	4.1	411,643	1.5

Class of Business	Fiscal 2008		Fiscal 2009		Fiscal 2010		Fiscal 2011	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	51,003	-0.6	51,181	0.3	53,919	5.3	57,278	6.2
Voluntary Automobile	110,731	-3.8	105,126	-5.1	102,210	-2.8	102,398	0.2
Personal Accident	149,981	-5.8	147,706	-1.5	150,730	2.0	157,331	4.4
Miscellaneous Casualty	75,923	6.0	76,332	0.5	78,346	2.6	76,354	-2.5
Marine and Inland Transit	8,519	-4.7	6,854	-19.5	7,027	2.5	7,057	0.4
Compulsory Automobile Liability	3,995	-26.7	3,703	-7.3	3,462	-6.5	3,487	0.7
Total	400,152	-2.8	390,902	-2.3	395,694	1.2	403,904	2.1

(Notes) The figures above do not include those of foreign-capitalized domestic 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

(Note) Proactive overseas expansion by GIAJ member companies is a common occurrence nowadays. Rather than by company headquarters and branches, expansion seems to be conducted mainly by subsidiaries and affiliated companies. The GIAJ used to provide such data under the title, "Direct Premiums Written Abroad by Japanese General Insurers", at a legal entity level. But since such data does not show the fact that the industry is expanding overseas (as it does not include member company premiums written by overseas subsidiaries and affiliated companies), the GIAJ has decided to stop providing it.

8. International Reinsurance Business

Outward Reinsurance Balance

(in billions of yen)

Fiscal Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Premiums (paid)	264.1	255.7	244.1	248.4	290.7	292.5	294.6	327.2	315.7	358.2
Claims (received)	114.1	123.5	242.1	162.7	118.2	125.8	149.8	147.6	141.4	475.5
Balance	-150.0	-132.2	-2.0	-85.7	-172.5	-166.7	-144.7	-179.5	-174.3	117.3

(Notes) Claims (received) include reinsurance commission.

Inward Reinsurance Balance

(in billions of yen)

Fiscal Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Premiums (received)	250.4	225.1	195.4	212.7	240.8	230.3	211.2	183.1	201.0	207.3
Claims (paid)	244.3	279.4	212.6	227.3	225.8	229.2	195.6	191.0	194.9	244.8
Balance	6.1	-54.3	-17.2	-14.6	15.0	1.1	15.6	-7.9	6.1	-37.5

(Notes) 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)

	2002	2003	2004
Number of Insurance Companies Operating Overseas	12	11	11

Number of Countries / Regions (Note 2)

	2002	2003	2004
Number of Regions Where Insurance Companies Operating Overseas	46	47	49

Number of Japanese Insurers' Offices Abroad

	2002	2003	2004
Number of Japanese Insurers' Offices Abroad	267	210	202

Liaison Offices

	2002	2003	2004
Number of Japanese Insurers with Liaison Offices	12	11	11
Number of Countries / Regions	46	46	46
Number of Cities	81	82	81
Number of Offices	193	178	178

- (Notes)
1. Figures represent the number of Japanese insurers conducting foreign business by type of overseas offices, and include cases same region.
 2. Figures represent the number of countries or regions where Japanese insurers conduct foreign business through overseas offices.

2005	2006	2007	2008	2009	2010	2011	2012
9	10	10	10	9	9	8	8

2005	2006	2007	2008	2009	2010	2011	2012
44	45	45	44	51	50	50	47

2005	2006	2007	2008	2009	2010	2011	2012
195	213	218	220	285	206	196	194

2005	2006	2007	2008	2009	2010	2011	2012
10	10	10	10	10	10	7	7
42	43	43	43	44	41	42	41
77	78	77	79	81	78	79	79
171	175	172	174	179	174	172	175

where a Japanese insurer conducts its business through both overseas subsidiaries and branches/agents of its home country head office in the

10. International Comparison of General Insurance Premium Volume (2010)

Country (Region)	Gross Direct Premiums			Gross Direct Premiums GDP		Per Capita Premiums	
	(in millions of yen)	Rank	Share (%)	(%)	Rank	(yen)	Rank
United States	57,267,424	1	36.28	4.5	4	184,598	3
Germany	10,843,074	2	6.87	3.7	9	130,309	10
Japan	10,108,915	3	6.40	2.1	33	79,612	20
United Kingdom	8,347,455	4	5.29	2.9	15	92,004	16
France	7,606,614	5	4.82	3.1	12	108,388	13
Netherlands	6,244,168	6	3.96	9.2	1	376,061	1
PR China	6,215,878	7	3.94	1.3	64	4,591	76
Canada	5,549,321	8	3.52	4.1	7	163,745	5
Italy	4,537,292	9	2.87	2.3	26	68,322	24
South Korea	3,756,793	10	2.38	4.2	6	76,809	22
Spain	3,593,386	11	2.28	2.9	16	77,937	21
Russia	3,535,591	12	2.24	2.3	27	25,201	36
Australia	2,996,340	13	1.90	2.8	18	139,108	8
Brazil	2,676,903	14	1.70	1.5	56	13,685	53
Switzerland	2,022,842	15	1.28	4.4	5	257,468	2
Belgium	1,190,882	16	0.75	2.7	19	100,396	14
Taiwan	1,085,184	17	0.69	3.0	13	46,800	29
Austria	1,059,757	18	0.67	3.2	11	126,378	11
India	916,570	19	0.58	0.7	77	755	84
Denmark	906,244	20	0.57	3.0	14	143,630	6
Other regions	17,382,902	—	11.01	—	—	—	—
Total/Average	157,843,535	—	100.00	2.9	—	22,823	—

- (Notes) 1. Figures are compiled by the GIAJ based on the "Sigma No.2/2011" by Swiss Re.
2. Total (average) figures are those total (average) figures of 147 countries/regions in 2010.
3. Gross Direct Premiums include all premiums written by domestic and foreign companies within the country.
4. The exchange rate used (US\$1=86.78 yen) was the average rate for 2010.

(Correction) Figures in Per Capita premiums column were revised to yen. *December 2013



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 operating at the time. 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 to assist the government in the control of the industry during a chaotic economic period. Shortly after 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 (as of September 1, 2012).

2 Objective

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

insurance business in Japan.

3 Major Activities

a. Enhancing the dissemination and understanding of general insurance

The GIAJ provides a variety of information about general insurance for enhancing consumers understanding through the website of the GIAJ, and by sending lecturers to speech sessions.

b. Responding to consultation, complaints and disputes

The GIAJ operates the Sonpo ADR center (General insurance Counseling and ADR Center) to answer consumer inquires and carry out pro-

ceedings for complaint and dispute resolution from a neutral, fair standpoint as a designated dispute resolution organization under the Insurance Business Law.

c. Improving the quality of insurance business administration

The GIAJ makes use of its position as a third-party organization to improve the quality of industry-wide business through advancing measures based on consumer opinions while establishing many other guidelines.

d. Maintaining and improving the business environment of general insurance

The GIAJ plays key roles in industry-wide systems, such as earthquake insurance. It also carries out research and study, and issues various requests and proposals of the general insurance industry in order to maintain and improve the business environment.

e. Preventing / reducing damage caused by accidents, disasters and crimes

The GIAJ makes efforts to reduce social losses by conducting educational activities and submitting proposals for traffic safety, and disaster and crime prevention.

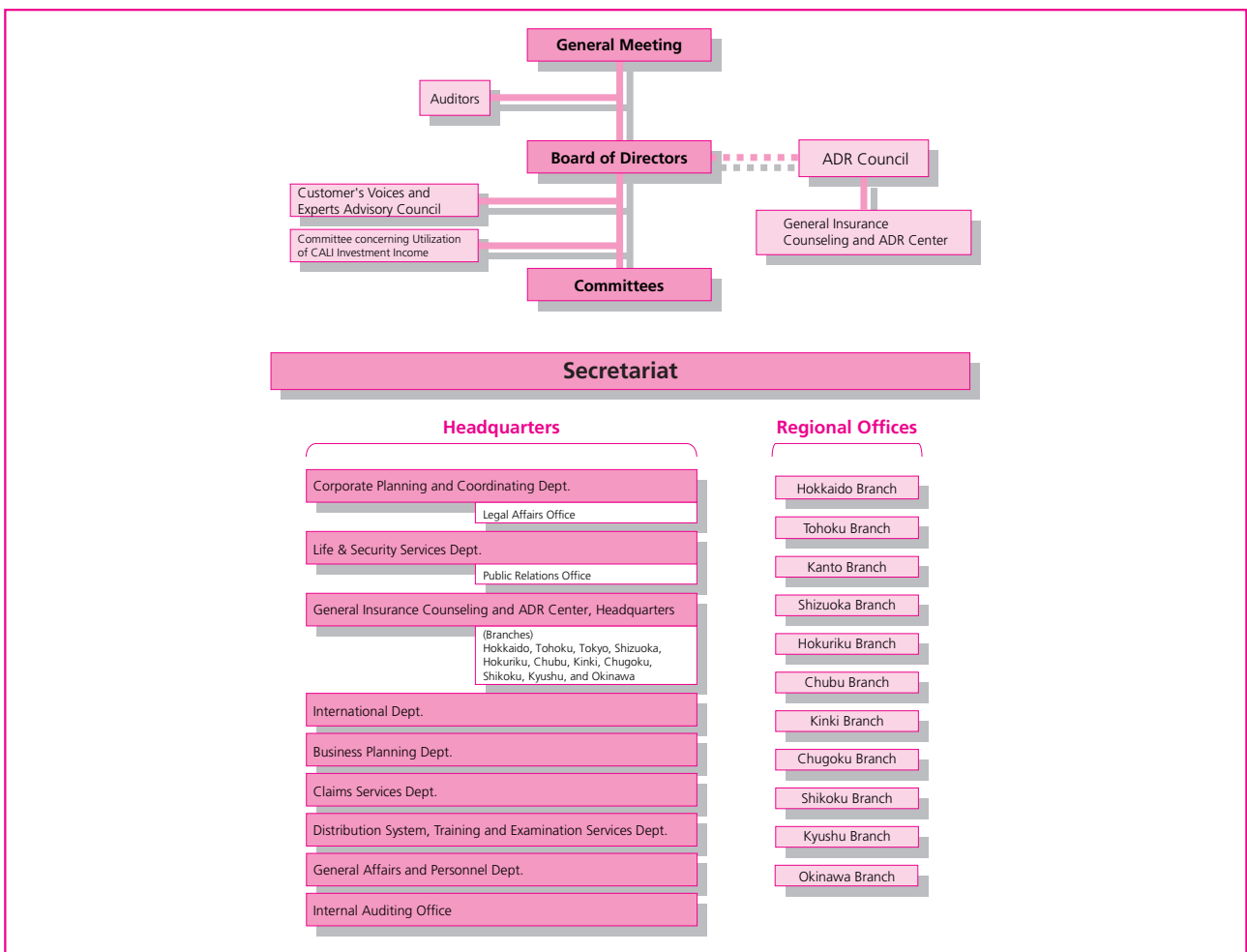
f. Education and Examinations for agents and solicitors

The GIAJ implements educational programs and the examination system in order to enhance the quality of insurance solicitation.

g. Contribution to the Global Community

The GIAJ actively participates in the International Association of Insurance Supervisors (IAIS) standard setting activities as an observer, closely monitoring and advocating 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, 2012)



1

Licensed Domestic Companies (29 Companies as of July 1, 2012)

- 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 CO., Ltd.
- The Daido Fire and Marine Insurance Co., Ltd.
- E.design Insurance Co., Ltd.
- The Fuji Fire & Marine Insurance Co., Ltd.
- Hitachi Capital Insurance Corporation
- H.S. Insurance Co., Ltd.
- ipet 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 (24 Companies as of July 1, 2012)

- 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 Co., Ltd. (Korea)
- Muenchener Rueckversicherungs-Gesellschaft AG in Muenchen (Germany)
- The New India Assurance Company Ltd. (India)
- The North of England Protecting and Indemnity Association Limited (U.K.)
- RGA Reinsurance Company (U.S.A.)
- The Society of Lloyd's (U.K.) [Lloyd's Japan Inc.]
- Starr Indemnity & Liability Company (U.S.A.)
- 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 GIAJ members.)

3 General Insurance Organizations (as of July 1, 2012)

- 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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