

GENERAL INSURANCE IN JAPAN

FACT BOOK



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Key Figures of General Insurance for Fiscal 2015

1 The Number of General Insurance Companies

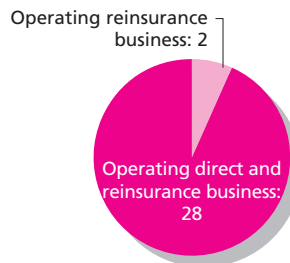
Total: **51**
 Domestic insurers: **30**
 Foreign insurers: **21**

As of Oct. 1, 2016, a total of 51 general insurance companies were operating in Japan; a total of 30 companies were licensed as domestic insurers, including 7 foreign capital domestic insurers, while 21 companies were licensed as foreign insurers.

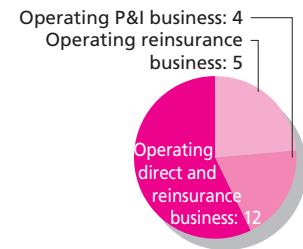
The number of people working in general insurance, including management, sales staff and temporary staff, was 91,711 as of April 1, 2016.

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 2015):
202,148

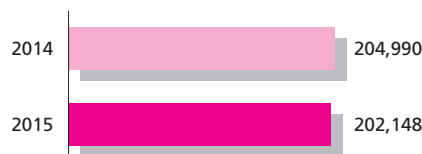
Agency sales staff
 (at the end of fiscal 2015):
2,059,743

The number of agencies decreased by 1.4%, and the number of sales staff also decreased by 0.2%.

There were 202,148 general insurance agencies of domestic and foreign general insurers and 2,059,743 sales staffs were engaged in the agency business at the end of fiscal 2015.

These agencies shared 91.7% of the written direct premiums in fiscal 2015.

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

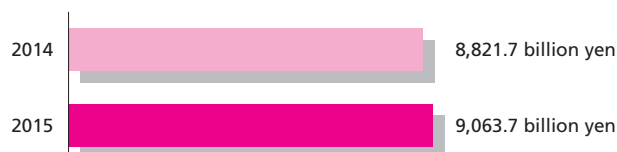
Direct premiums:
9,063.7 billion yen

Net premiums:
8,359.7 billion yen

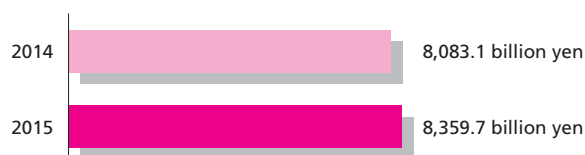
Direct premiums: gross direct premiums (including the savings portion of maturity-refund type insurance premiums) – various returns other than maturity refunds (including return premiums for cancellation, no claim returns, and return premiums resulting from the decrease of insurable risks)
Net premiums: 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 2015 was 9,063.7 billion yen, up 2.7%. The total of net premiums written was 8,359.7 billion yen, up 3.4%. (The figures are the totals for GIAJ member companies.)

■ Direct premiums



■ Net premiums



4 The Amount of Claims Paid

Net claims paid:
4,568.9 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 2015 amounted to 4,568.9 billion yen, a decrease of 0.8% compared with the previous term which included payments for a snow damage in February, 2014. (The figures are the totals for GIAJ member companies.)

■ Net claims paid



5 Assets and Investments

Total assets:

30,850.0 billion yen

Working assets:

28,202.7 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.)

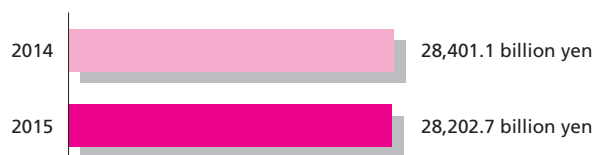
Working assets: Working assets include deposits, call loans, monetary receivables bought, money trusts, securities, loans, real estate, etc.

Total assets decreased 0.4% to 30,850.0 billion yen, reflecting a drop in the market value of securities. Working assets also decreased to 28,202.7 billion yen, down 0.7%. (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:

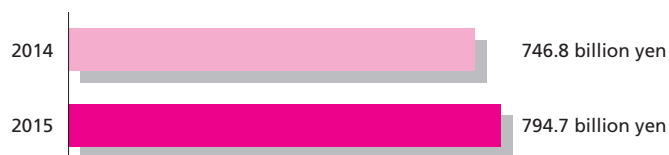
794.7 billion yen

Net profits:

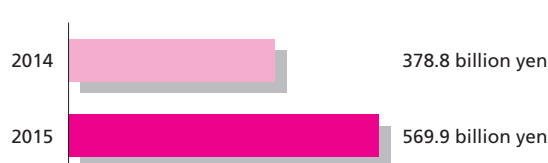
569.9 billion yen

Ordinary profits for fiscal 2015 increased to 794.7 billion yen, due to an increased investment profit. Net profits after tax also increased to 569.9 billion yen from 378.8 billion yen. (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:

59.9%

Operating expenses ratio:

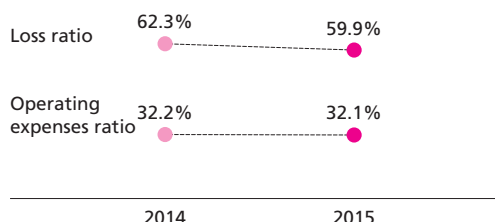
32.1%

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 decreased by 2.4% to 59.9%. The operating expenses ratio decreased by 0.1% to 32.1% in fiscal 2015. (The figures are the totals for GIAJ member companies.)

Loss ratio / Operating expenses ratio



8 Ownership of General Insurance Policies

Earthquake: **29.5%**
(at the end of 2015)

Voluntary Automobile
(bodily injury liability):

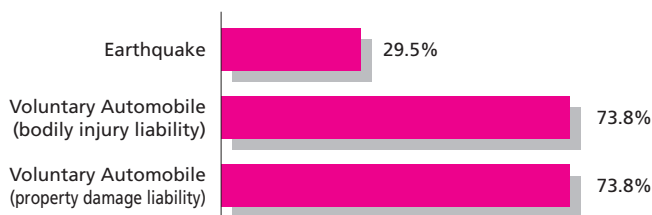
73.8%
(at the end of fiscal 2014)

Voluntary Automobile
(property damage liability):

73.8%
(at the end of fiscal 2014)

Ownership of Earthquake Insurance on Dwelling Risks represents the ratio of the number of earthquake insurance policies to the number of households on the Basic Resident Register in Japan. The figure for 2013-2015 is as at the end of each year. The figure for 2010-2012 is as at the end of each fiscal year, i.e. the end of March.

Ownership by line



Ownership of Earthquake Insurance on Dwelling Risks Policies

Fiscal Year	2011	2012	2013 (*)	2014	2015
National Average	26.0%	27.1%	27.9%	28.8%	29.5%

(*) The ratio since 2013 is as at the end of the year. (Not Fiscal Year)
Source: General Insurance Rating Organization of Japan.

Ownership of Voluntary Automobile Insurance

Fiscal Year	2010	2011	2012	2013	2014
Bodily Injury Liability	73.4%	73.1%	73.3%	73.4%	73.8%
Property Damage Liability	73.4%	73.1%	73.3%	73.4%	73.8%
Passengers' Personal Accident	50.3%	45.1%	43.1%	41.7%	34.0%
Physical Damage	41.8%	42.1%	42.6%	43.0%	43.2%
Bodily Injury Indemnity	—	—	—	—	67.0%

Source: General Insurance Rating Organization of Japan.
The data of Mutual Aid is not included.



Statistics

(Note) The figures are the totals for GIAJ member companies.

1. Income Statement

(in billions of yen & %)

Item	Fiscal 2014		Fiscal 2015	
	Amount	Growth	Amount	Growth
Ordinary Profit and Loss				
Underwriting Income	8,967.1	3.6	9,049.7	0.9
Net Premiums Written	8,083.1	4.0	8,359.7	3.4
Savings Portion of Maturity-refund type Insurance Premiums	461.9	0.3	415.7	-10.0
Underwriting Expenses	7,641.4	0.4	7,731.9	1.2
Net Claims Paid	4,605.4	1.0	4,568.9	-0.8
Loss Adjustment Expenses	432.5	2.4	442.2	2.2
Agency Commissions and Brokerage	1,430.7	6.7	1,482.1	3.6
Maturity Refunds to Policyholders	944.0	-3.8	885.1	-6.2
Net Provision for / Net Reversal of Outstanding Loss Reserves	-74.2	-141.4	45.7	—
Net Provision for / Net Reversal of Underwriting Reserves	73.4	—	185.4	152.6
Investment Income	700.8	2.5	836.7	19.4
Interest and Dividend Income	532.3	8.1	616.7	15.9
Profits on Sales of Securities	293.1	-9.9	324.8	10.8
Investment Expenses	56.8	-35.9	114.5	101.6
Losses on Sales of Securities	8.4	-57.7	25.0	197.4
Losses on Revaluation of Securities	6.0	-68.3	45.8	668.0
Operating and General Administrative Expenses	1,230.7	0.1	1,261.1	2.5
Operating and General Administrative Expenses on Underwriting	<u>*1,170.4</u>	<u>*0.2</u>	1,199.4	2.5
Other Ordinary Profits and Losses	7.9	248.2	15.7	98.8
Ordinary Profits	746.8	80.1	794.7	6.4
Underwriting Profits	143.3	—	114.8	-19.9
Special Profits and Losses Balance	-163.8	—	-60.2	—
Profits for the Current Year before Corporate Taxes	583.1	72.6	734.5	26.0
Corporate Income Taxes and Corporate Resident Taxes	60.3	171.7	116.9	93.9
Adjustments in Corporate Income Taxes, etc.	143.9	42.1	47.7	-66.9
Total Income Taxes	204.2	65.4	164.6	-19.4
Net Profits for the Current Year	378.8	76.8	569.9	50.4

* The underlined figures were corrected on June 27, 2016.

2. Abridged Balance Sheet

<Assets>

(in billions of yen & %)

Item	Fiscal 2014		Fiscal 2015	
	Amount	Share	Amount	Share
Deposits	928.8	3.0	1,703.4	5.5
Call Loans	319.9	1.0	40.7	0.1
Receivables under Resales Agreements	173.5	0.6	113.0	0.4
Receivables under Securities Borrowing Transactions	0.0	—	10.4	0.0
Monetary Receivables Bought	445.3	1.4	186.0	0.6
Money Trusts	135.3	0.4	199.4	0.6
Securities	23,552.3	76.1	23,096.9	74.9
National Government Bonds	6,480.9	20.9	5,893.5	19.1
Local Government Bonds	319.2	1.0	343.2	1.1
Corporate Bonds	2,407.5	7.8	2,617.4	8.5
Stocks	8,216.4	26.5	6,676.7	21.6
Foreign Securities	5,896.8	19.1	7,302.9	23.7
Other Securities	231.5	0.8	263.2	0.9
Loans	1,862.4	6.0	1,903.8	6.2
Real Estate	983.6	3.2	949.1	3.1
Total Working Assets	28,401.1	91.7	28,202.7	91.4
Other Assets	2,559.4	8.3	2,647.3	8.6
Total Assets	30,960.5	100.0	30,850.0	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 2014		Fiscal 2015	
	Amount	Share	Amount	Share
Underwriting Reserves	19,773.8	63.9	19,999.2	64.8
Outstanding Loss Reserves	3,415.7	11.0	3,455.7	11.2
Technical Provision	16,358.1	52.9	16,543.5	53.6
Other Liabilities	3,759.0	12.1	4,034.8	13.1
Total Liabilities	23,532.8	76.0	24,034.0	77.9
Capital	798.5	2.6	804.3	2.6
Suspense Receipts on Capital Subscriptions	—	—	—	—
Additional Paid in Capital	615.9	2.0	577.7	1.9
Earned Surplus	1,392.2	4.5	1,710.9	5.5
Treasury Stock	-4.6	-0.0	-4.7	-0.0
Unrealized Gain on Securities, Net of Income Taxes	4,629.7	14.9	3,697.9	12.0
Deferred Gains and Losses on Hedge Transactions	8.2	—	43.3	0.1
Land Revaluation Excess	-12.1	-0.0	-13.5	-0.0
Stock Acquisition Right	—	—	—	—
Total Equities	7,427.7	24.0	6,816.0	22.1
Total Liabilities and Equities	30,960.5	100.0	30,850.0	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 2006		Fiscal 2007		Fiscal 2008		Fiscal 2009	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	1,455,136	-2.1	1,402,341	-3.6	1,402,328	-0.0	1,398,189	-0.3
Maturity-refund type	298,214	-10.9	271,036	-9.1	253,328	-6.5	244,666	-3.4
Voluntary Automobile	3,518,501	0.5	3,495,243	-0.7	3,447,541	-1.4	3,413,500	-1.0
Maturity-refund type	6,759	-9.1	6,064	-10.3	5,295	-12.7	2,823	-46.7
Personal Accident	1,293,711	-6.1	1,205,443	-6.8	1,109,850	-7.9	1,025,566	-7.6
Maturity-refund type	644,512	-12.6	559,501	-13.2	471,663	-15.7	390,755	-17.2
Miscellaneous Casualty	829,201	4.1	828,219	-0.1	853,364	3.0	892,174	4.5
Maturity-refund type	3,487	-63.1	3,846	10.3	1,417	-63.2	489	-65.5
Burglary	15,587	-12.8	13,714	-12.0	12,915	-5.8	11,196	-13.3
Glass	1,302	-13.2	1,222	-6.1	1,045	-14.5	915	-12.4
Aviation	30,050	-7.0	28,007	-6.8	23,654	-15.5	20,700	-12.5
Windstorm & Flood	325	-20.5	233	-28.3	260	11.6	197	-24.2
Guarantee	11,913	11.3	11,511	-3.4	12,060	4.8	10,908	-9.6
Credit	31,999	6.3	33,879	5.9	38,928	14.9	39,306	1.0
Workers' Accident Compensation Liability	63,305	-9.0	62,747	-0.9	58,363	-7.0	53,450	-8.4
Maturity-refund type	3,016	-63.2	3,585	18.9	1,284	-64.2	152	-88.2
Boiler & Turbo-set	2,360	0.1	2,351	-0.4	2,278	-3.1	2,368	4.0
Livestock	3,541	11.3	3,570	0.8	3,303	-7.5	2,940	-11.0
General Liability	436,922	8.9	438,674	0.4	440,181	0.3	474,757	7.9
Machinery & Erection	35,905	3.8	35,540	-1.0	34,325	-3.4	32,317	-5.8
Shipowners' Liability for Passengers' Personal Accident	722	-7.2	743	2.9	733	-1.3	709	-3.3
Contractors' All Risks	40,607	9.8	41,079	1.2	40,792	-0.7	36,231	-11.2
Atomic Energy	11,356	1.0	11,007	-3.1	10,301	-6.4	10,747	4.3
Movables Comprehensive	103,073	-0.8	100,030	-3.0	95,327	-4.7	86,359	-9.4
Maturity-refund type	2	-94.9	0	-100.0	0	—	—	—
Miscellaneous Pecuniary Loss	40,148	1.2	43,816	9.1	72,368	65.2	100,000	38.2
Maturity-refund type	468	-61.4	257	-45.1	134	-47.9	334	149.3
Pet	—	—	—	—	6,441	—	8,980	39.4
Marine and Inland Transit	303,734	6.7	317,485	4.5	298,629	-5.9	248,395	-16.8
Marine Hull	68,359	9.0	72,617	6.2	73,110	0.7	73,405	0.4
Marine Cargo	166,997	8.4	175,170	4.9	156,343	-10.7	112,392	-28.1
Inland Transit	68,369	0.6	69,690	1.9	69,167	-0.8	62,590	-9.5
Subtotal	7,400,330	-0.6	7,248,776	-2.0	7,111,754	-1.9	6,977,872	-1.9
Compulsory Automobile Liability	1,128,961	-1.4	1,041,570	-7.7	868,362	-16.6	805,834	-7.2
Grand total	8,529,291	-0.7	8,290,346	-2.8	7,980,116	-3.7	7,783,706	-2.5
Maturity-refund type	952,972	-12.5	840,447	-11.8	731,703	-12.9	638,733	-12.7

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

2. Direct Premiums Written = 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)

(in millions of yen & %)

Fiscal 2010		Fiscal 2011		Fiscal 2012		Fiscal 2013		Fiscal 2014		Fiscal 2015	
Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
1,315,875	-5.9	1,377,306	4.7	1,413,374	2.6	1,452,324	2.8	1,514,817	4.3	1,591,257	5.0
213,204	-12.9	201,925	-5.3	179,301	-11.2	151,889	-15.3	141,785	-6.7	123,989	-12.6
3,431,368	0.5	3,476,089	1.3	3,592,707	3.4	3,750,511	4.4	3,863,948	3.0	3,991,169	3.3
1,001	-64.5	106	-89.4	—	—	—	—	—	—	—	—
1,040,314	1.4	1,067,749	2.6	1,029,505	-3.6	1,013,391	-1.6	1,037,300	2.4	999,493	-3.6
396,559	1.5	409,703	3.3	362,265	-11.6	337,238	-6.9	345,646	2.5	313,871	-9.2
896,566	0.5	922,273	2.9	964,808	4.6	1,048,629	8.7	1,089,836	3.9	1,176,970	8.0
424	-13.3	765	80.4	250	-67.3	317	26.8	109	-65.6	417	282.6
10,286	-8.1	9,856	-4.2	9,283	-5.8	9,200	-0.9	9,359	1.7	9,650	3.1
820	-10.4	791	-3.5	758	-4.2	717	-5.4	682	-4.9	476	-30.2
19,503	-5.8	16,845	-13.6	14,506	-13.9	16,152	11.3	13,764	-14.8	19,240	39.8
68	-65.5	58	-14.7	58	0.0	61	5.2	39	-36.1	36	-7.7
10,343	-5.2	10,600	2.5	11,622	9.6	12,513	7.7	11,628	-7.1	10,521	-9.5
35,754	-9.0	34,973	-2.2	33,165	-5.2	31,318	-5.6	30,865	-1.4	29,213	-5.4
48,866	-8.6	48,510	-0.7	57,296	18.1	61,912	8.1	56,324	-9.0	67,513	19.9
-24	-115.8	15	—	8	-46.7	2	-75.0	-6	-400.0	0	—
2,333	-1.5	2,295	-1.6	2,381	3.7	2,197	-7.7	2,185	-0.5	2,016	-7.7
2,926	-0.5	3,102	6.0	3,089	-0.4	3,488	12.9	3,792	8.7	4,048	6.8
474,877	0.0	476,378	0.3	489,241	2.7	517,299	5.7	523,217	1.1	534,095	2.1
31,273	-3.2	30,661	-2.0	30,976	1.0	30,489	-1.6	33,440	9.7	32,149	-3.9
644	-9.2	639	-0.8	609	-4.7	602	-1.1	622	3.3	591	-5.0
32,121	-11.3	36,346	13.2	39,923	9.8	42,857	7.3	48,722	13.7	49,483	1.6
10,088	-6.1	8,602	-14.7	5,761	-33.0	4,557	-20.9	4,243	-6.9	3,997	-5.8
82,254	-4.8	82,485	0.3	81,276	-1.5	83,972	3.3	91,156	8.6	101,983	11.9
—	—	—	—	—	—	—	—	—	—	—	—
123,467	23.5	143,187	16.0	164,719	15.0	207,374	25.9	230,618	11.2	276,854	20.0
447	33.8	748	67.3	240	-67.9	314	30.8	115	-63.4	417	262.6
10,858	20.9	16,872	55.4	20,065	18.9	23,844	18.8	29,107	22.1	35,048	20.4
257,315	3.6	257,085	-0.1	261,031	1.5	281,048	7.7	286,850	2.1	283,812	-1.1
71,408	-2.7	71,528	0.2	75,795	6.0	84,475	11.5	88,086	4.3	89,862	2.0
125,113	11.3	123,325	-1.4	122,073	-1.0	132,187	8.3	134,582	1.8	128,540	-4.5
60,790	-2.9	62,225	2.4	63,159	1.5	64,386	1.9	64,179	-0.3	65,408	1.9
6,941,482	-0.5	7,100,544	2.3	7,261,468	2.3	7,545,947	3.9	7,792,799	3.3	8,042,736	3.2
806,334	0.1	891,712	10.6	930,807	4.4	1,022,883	9.9	1,028,895	0.6	1,020,958	-0.8
7,747,816	-0.5	7,992,256	3.2	8,192,275	2.5	8,568,830	4.6	8,821,694	3.0	9,063,694	2.7
611,188	-4.3	612,499	0.2	541,816	-11.5	489,444	-9.7	487,540	-0.4	438,277	-10.1

4. Net Premiums by Line

(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

(in millions of yen & %)

Class of Business	Fiscal 2011		Fiscal 2012		Fiscal 2013		Fiscal 2014		Fiscal 2015	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	1,032,508	2.5	1,071,890	3.8	1,146,888	7.0	1,239,719	8.1	1,337,493	7.9
Voluntary Automobile	3,501,458	1.3	3,614,716	3.2	3,764,820	4.2	3,876,848	3.0	3,998,691	3.1
Personal Accident	661,840	2.2	678,049	2.4	687,210	1.4	701,420	2.1	689,345	-1.7
Miscellaneous Casualty	826,369	0.9	854,719	3.4	921,776	7.8	978,976	6.2	1,033,003	5.5
Marine and Inland Transit	231,868	-0.2	233,739	0.8	253,876	8.6	265,736	4.7	264,469	-0.5
Marine Hull	56,114	1.5	58,411	4.1	64,549	10.5	71,806	11.2	74,611	3.9
Marine Cargo	117,610	-1.8	116,728	-0.7	129,649	11.1	134,551	3.8	129,299	-3.9
Inland Transit	58,138	1.4	58,592	0.8	59,671	1.8	59,376	-0.5	60,555	2.0
Subtotal	6,254,095	1.5	6,453,161	3.2	6,774,620	5.0	7,062,755	4.3	7,323,042	3.7
Compulsory Automobile Liability	862,038	6.7	918,644	6.6	996,660	8.5	1,020,307	2.4	1,036,667	1.6
Grand total	7,116,133	2.1	7,371,805	3.6	7,771,280	5.4	8,083,062	4.0	8,359,709	3.4

(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 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

(in millions of yen & %)

Class of Business	Fiscal 2011		Fiscal 2012		Fiscal 2013		Fiscal 2014		Fiscal 2015	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Fire	2,296,870	543.6	924,702	-59.7	635,732	-31.3	727,739	14.5	637,053	-12.5
Voluntary Automobile	2,234,001	0.8	2,213,972	-0.9	2,137,113	-3.5	2,117,638	-0.9	2,098,986	-0.9
Compulsory Automobile Liability	801,485	1.3	796,363	-0.6	804,370	1.0	793,094	-1.4	792,185	-0.1
Personal Accident	348,257	0.0	347,645	-0.2	351,482	1.1	345,982	-1.6	340,713	-1.5
Miscellaneous Casualty	488,831	4.5	491,890	0.6	512,807	4.3	540,723	5.4	604,214	11.7
Marine and Inland Transit	161,915	25.1	143,591	-11.3	150,530	4.8	142,300	-5.5	145,126	2.0
Total	6,331,400	46.9	4,918,204	-22.3	4,592,081	-6.6	4,667,515	1.6	4,618,318	-1.1

6. International Comparison of General Insurance Premium Volume (2014)

Country (Region)	Gross Direct Premiums			Gross Direct Premiums GDP		Per Capita Premiums	
	(in millions of USD)	Rank	Share (%)	(%)	Rank	(USD)	Rank
United States	752,222	1	35.42	4.3	4	2,360	4
PR China	151,490	2	7.13	1.5	57	109	63
Germany	136,170	3	6.41	3.4	10	1,617	10
United Kingdom	115,945	4	5.46	2.6	19	1,185	15
Japan	108,174	5	5.09	2.4	21	852	23
France	97,759	6	4.60	3.1	13	1,350	13
Netherlands	74,100	7	3.49	8.5	1	4,393	1
Canada	73,235	8	3.45	4.1	7	2,063	6
South Korea	57,943	9	2.73	4.1	5	1,149	16
Italy	49,443	10	2.33	2.1	34	746	26
Brazil	40,464	11	1.91	1.9	39	200	50
Spain	38,462	12	1.81	2.7	18	825	25
Australia	31,924	13	1.50	2.2	26	1,354	12
Switzerland	29,117	14	1.37	4.1	6	3,542	2
Russia	22,910	15	1.08	1.2	64	161	54
Venezuela	21,937	16	1.03	3.5	9	711	28
Belgium	16,549	17	0.78	2.7	17	1,281	14
Taiwan	16,466	18	0.78	3.3	11	701	29
Mexico	14,645	19	0.69	1.1	67	118	62
India	14,590	20	0.69	0.7	78	11	84
Other regions	260,154	—	12.25	—	—	—	—
Total/Average	2,123,699	—	100.00	2.7	—	294	—

- (Notes) 1. Figures are compiled by the GIAJ based on the "Sigma No.4/2015" by Swiss Re.
2. Total (average) figures are those total (average) figures of 147 countries/regions in 2014.
3. Gross Direct Premiums include all premiums written by domestic and foreign companies within the country.

7. General Insurance Business of Overseas Consolidated Subsidiaries

Net Premium of Overseas Consolidated Subsidiaries

(in millions of yen & %)

	Fiscal 2012		Fiscal 2013		Fiscal 2014		Fiscal 2015	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Direct Insurers	600,162	30.8	902,747	50.4	1,349,959	49.5	1,400,324	3.7
The Americas	343,903	31.8	569,192	65.5	744,188	30.7	735,962	-1.1
Europe/ Middle East/ Africa	85,929	39.3	114,858	33.7	335,256	191.9	405,173	20.9
Asia/ Oceania	170,330	25.1	218,697	28.4	270,515	23.7	259,189	-4.2
(Specialized) Reinsurers	230,665	25.9	300,327	30.4	213,805	-28.9	256,654	20.0
Total	830,834	29.4	1,203,582	44.9	1,563,772	29.9	1,656,984	6.0

Net Claims Paid by Overseas Consolidated Subsidiaries

(in millions of yen & %)

	Fiscal 2012		Fiscal 2013		Fiscal 2014		Fiscal 2015	
	Amount	Growth	Amount	Growth	Amount	Growth	Amount	Growth
Direct Insurers	294,947	12.7	434,167	47.2	698,823	61.0	643,896	-7.9
The Americas	155,760	15.0	252,130	61.9	356,574	41.4	340,373	-4.5
Europe/ Middle East/ Africa	50,287	-16.1	64,818	28.9	213,387	229.2	178,928	-16.1
Asia/ Oceania	88,900	34.1	117,219	31.9	128,862	9.9	124,595	-3.3
(Specialized) Reinsurers	167,101	67.1	140,547	-15.9	85,441	-39.2	94,492	10.6
Total	462,054	27.8	574,721	24.4	784,273	36.5	738,394	-5.8

(Notes) These figures show summation data of overseas consolidated subsidiaries whose parent companies are Japanese insurers or Japanese insurance holding companies. Offsetting internal transactions are not taken into consideration.

8. International Reinsurance Business

Outward Reinsurance Balance

(in billions of yen)

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Premiums (paid)	290.7	292.5	294.6	327.2	315.7	358.2	457.8	542.7	540.6	566.2
Claims (received)	118.2	125.8	149.8	147.6	141.4	475.5	421.0	308.0	316.5	338.7
Balance	-172.5	-166.7	-144.7	-179.5	-174.3	117.3	-36.8	-234.7	-224.1	-227.5

(Notes) Claims (received) include reinsurance commission.

Inward Reinsurance Balance

(in billions of yen)

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Premiums (received)	240.8	230.3	211.2	183.1	201.0	207.3	268.7	363.5	398.1	403.5
Claims (paid)	225.8	229.2	195.6	191.0	194.9	244.8	320.6	324.5	314.6	353.1
Balance	15.0	1.1	15.6	-7.9	6.1	-37.5	-51.9	39.0	83.5	50.4

(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)

	2006	2007	2008
Number of Insurance Companies Operating Overseas	10	10	10

Number of Countries / Regions (Note 2, 3)

	2006	2007	2008
Number of Regions Where Insurance Companies Operating Overseas	45	45	44

Number of Japanese Insurers' Offices Abroad

	2006	2007	2008
Number of Japanese Insurers' Offices Abroad	213	218	220

Liaison Offices

	2006	2007	2008
Number of Japanese Insurers with Liaison Offices	10	10	10
Number of Countries / Regions	43	43	43
Number of Cities	78	77	79
Number of Offices	175	172	174

- (Notes)
1. Figures represent the number of Japanese insurers conducting foreign business by type of overseas offices, and include cases where a Japanese insurer conducts its business through both overseas subsidiaries and branches/agents of its home country head office in the same region.
 2. Figures represent the number of countries or regions where Japanese insurers conduct foreign business through overseas offices.
 3. The underlined figure was corrected on July 29, 2016.

2009	2010	2011	2012	2013	2014	2015	2016
9	9	8	8	7	6	5	5

2009	2010	2011	2012	2013	2014	2015	2016
51	50	50	47	46	46	<u>45</u>	46

2009	2010	2011	2012	2013	2014	2015	2016
226	206	196	194	198	188	179	190

2009	2010	2011	2012	2013	2014	2015	2016
10	10	7	7	7	6	5	5
44	41	42	41	40	43	43	39
81	78	79	79	79	82	83	83
179	174	172	175	183	184	161	166



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 July 1, 2016).

2 Objective

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

insurance business in Japan, and thus contribute to a secure and safe society.

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 proceedings 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.

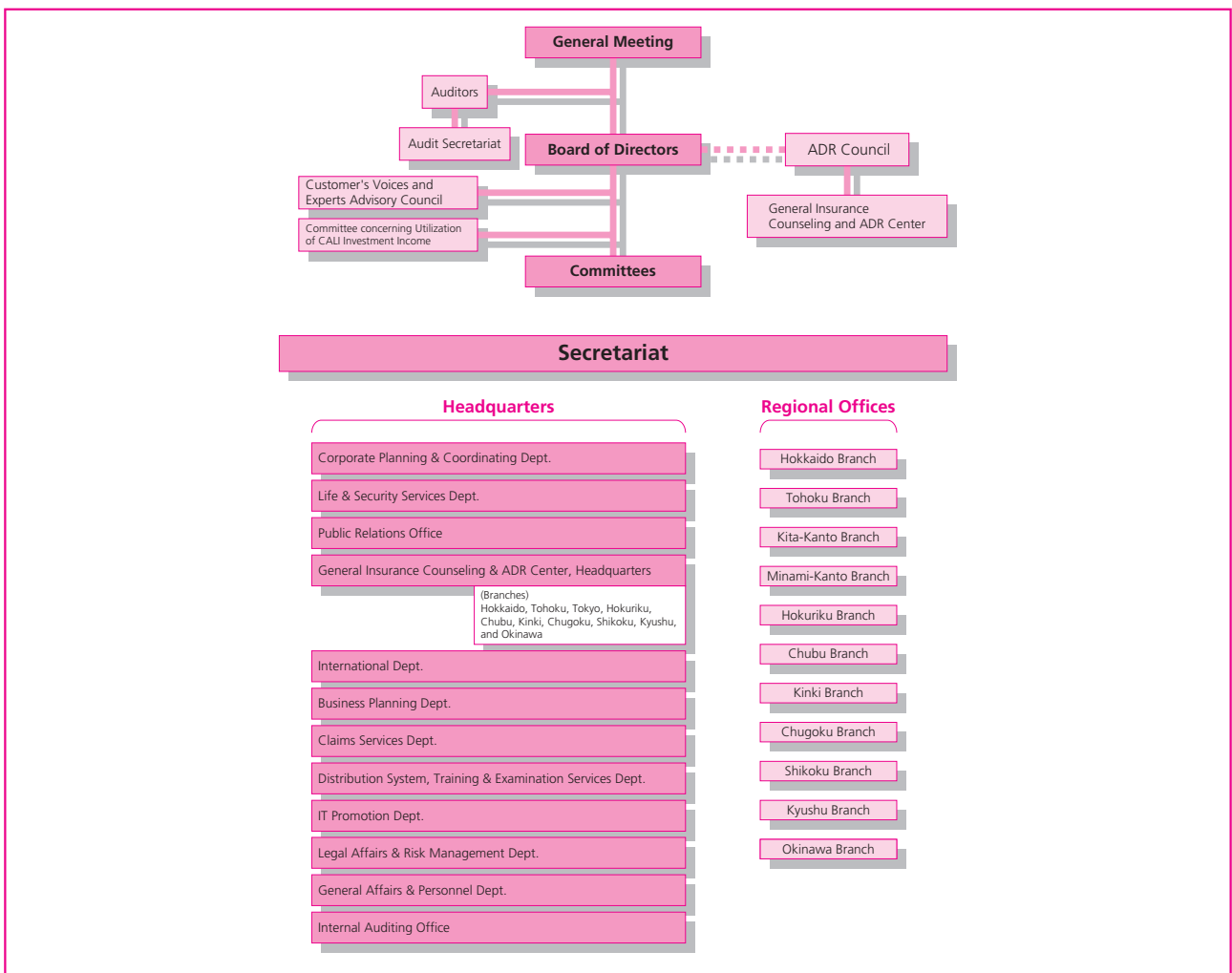
f. Education and Examinations for agents and solicitors

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 July 1, 2016)





Directory

1

Licensed Domestic Companies (30 Companies as of Oct. 1, 2016)

- Aioi Nissay Dowa Insurance Co., Ltd.
- AIU Insurance Company, Ltd.
- Allianz Fire and Marine Insurance Japan Ltd.
- American Home Assurance Company, Ltd.
- Anicom Insurance, Inc.
- The Asahi Fire & Marine Insurance Co., Ltd.
- au Insurance Company, Limited
- AXA GENERAL INSURANCE CO., Ltd.
- Chubb Insurance Japan
- 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.
- Nisshin Fire & Marine Insurance Co., Ltd.
- SAISON Automobile and Fire Insurance Co., Ltd.
- SBI Insurance Co., Ltd.
- SECOM General Insurance Co., Ltd.
- Sompo Japan Nipponkoa 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 (21 Companies as of Oct. 1, 2016)

- Assicurazioni Generali S.p.A. (Italy)
- Assuranceforeningen GARD - gjensidig (Norway)
- Atradius Credit Insurance N.V. (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 SA (Belgium)
- General Reinsurance AG (Germany)
- HDI Global SE (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 (Europe) Ltd. (U.K.)
- Zurich Insurance Company Ltd (Switzerland)

(The above companies are not GIAJ members.)

3 General Insurance Organizations (as of Oct. 1, 2016)

- General Insurance Rating Organization of Japan
- The Japan Atomic Energy Insurance Pool
- The General Insurance Institute of Japan
- The Foreign Non-Life Insurance Association of Japan, Inc.
- Non-Life Insurance Policyholders Protection Corporation of Japan
- Independent Insurance Agents of Japan, Inc.
- The Small Amount & Short Term Insurance Association of Japan
- The Japan Insurance Brokers Association
- Loss Adjusters Association of Japan
- All Japan Independent Adjusters Association

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