

## MESSAGE FROM THE PRESIDENT



Chairman:  
Shozo Wakabayashi

President:  
Hideo Suzuki

We are delighted to introduce to the readers of this annual report a detailed disclosure of the current situation and activities of the Company.

Japan Earthquake Reinsurance Co., Ltd. was founded in 1966 as the only company in Japan permitted to exclusively handle reinsurance for earthquake insurance on dwelling risks. For more than 40 years since then, we have been underwriting the dwelling risk of earthquakes in Japan in alliance with the Japanese government and non-life insurance companies. As the core entity in this sector, we have not only been committed to bolstering and upgrading the system of our reinsurance payment, but also to providing our best care to managing and operating the assets that support the system.

With public concern about the risk of earthquakes rising in recent years following the damage caused by earthquakes in Japan, the number of earthquake insurance contracts reached a record high of 11.84 million at the end of March 2009. This increase was partly backed by growing acceptance of the earthquake insurance premium discount system and the tax deduction system for earthquake insurance premiums introduced in 2007. With respect to asset management, total assets of the Company rose strongly, to 1,015 billion yen, crossing the 1 trillion yen mark, despite the difficult investment environment created by worldwide financial insecurity.

Given increasingly important roles and responsibilities in the earthquake insurance system, we must be even more prudent in our management approach. For this reason, we have adopted a new three-year, medium-term management plan this fiscal year with the aim of strengthening our management, such as further refining our expertise in earthquake insurance operations and our ability to manage assets, and upgrading our systems.

We have prepared this annual report to provide our stakeholders with insight into the current situation and activities of the Company. We welcome any comments or opinions.

July 2009

Hideo Suzuki  
President  
Japan Earthquake Reinsurance Co., Ltd.