

## MESSAGE FROM THE PRESIDENT



Chairman:  
Shozo Wakabayashi

President:  
Hideo Suzuki

First, we offer our deepest condolences to victims of the Great East Japan Earthquake and express our heartfelt sympathy to all those affected by the disaster.

Japan Earthquake Reinsurance Co., Ltd. (JER) 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.

Natural disasters such as major earthquakes and major volcanic eruptions have occurred in countries around the world. In Japan, the Great East Japan Earthquake that struck on March 11 measured 9.0 on the Richter scale, making it the largest earthquake in recorded Japanese history. The earthquake triggered a devastating tsunami, which hit a wide area including the Tohoku and Kanto districts.

JER established emergency headquarters immediately after the earthquake and have since been making comprehensive efforts to respond to the situation. For example, we have been selling assets to enable the early payment of reinsurance and have for the first time applied a system for payment of the approximate amount of earthquake reinsurance.

Because this was the greatest disaster on record, people's expectations and concerns about earthquake insurance will rise, and our company will take on increasingly important roles and responsibilities in the earthquake insurance system. We are aware that we must be even more prudent in our management approach.

In these circumstances, we will play an active role in enhancing and developing the earthquake insurance system and will strive to become company that is even more reliable and trustworthy for its stakeholders.

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 2011

Hideo Suzuki  
President  
Japan Earthquake Reinsurance Co., Ltd.