

About Japan Earthquake Reinsurance Co.,Ltd (JER)

Company's features

In accordance with the promulgation of the concerning Earthquake Insurance Law No.73,May 18,1966 and also following the launch of sales of dwelling earthquake insurance to be written in conjunction with dwelling and shop-owners comprehensive insurance policies, JER was established with share capital of 1,000,000,000 by the 20 domestic Japanese non-life insurance companies on May 30,1966.The Company was licensed for earthquake insurance business and started its operation on June 1,1966.

Dwelling earthquake insurance depends on such a reinsurance system (safety net as it were)

as joined by the government, non-life insurance companies and JER so that insurance claims can be paid to policyholders without fail.

The insurance premium paid by policyholders are separated from non-life insurance companies, and managed and operated by the government and JER.

JER is thus in the center of reinsurance system, going through reinsurance procedures among the government, non-life insurance companies and ourselves, and manages and operates the insurance premium paid by policyholders as sole earthquake reinsurance company in Japan.

☞ For details of reinsurance mechanism, see p.8 Mechanism of reinsurance and p.38 Glossary.

Shareholders and shares

① Top 10 shareholders

(As of March 31, 2006)

Shareholder	No. of shares owned (1,000 shares)	Percentage of shares owned (%)
Tokio Marine & Nichido Fire Insurance Co., Ltd.	537	26.9
Mitsui Sumitomo Insurance Co., Ltd.	338	16.9
Sompo Japan Insurance Inc.	321	16.1
Nippon Koa Insurance Co., Ltd.	208	10.4
Aioi Insurance Co., Ltd.	153	7.7
Fuji Fire and Marine Insurance Co., Ltd.	123	6.2
Nissay Dowa General Insurance Co., Ltd.	102	5.1
The Toa Reinsurance Co., Ltd.	93	4.7
Nisshin Fire & Marine Insurance Co., Ltd.	61	3.1
The Kyoei Fire & Marine Insurance Co., Ltd.	34	1.7

② Capital

(Unit: yen in billion)

Year	As of the end of fiscal 2003	As of the end of fiscal 2004	As of the end of fiscal 2005
Capital	1	1	1

③ Sharers

(As of March 31, 2006)

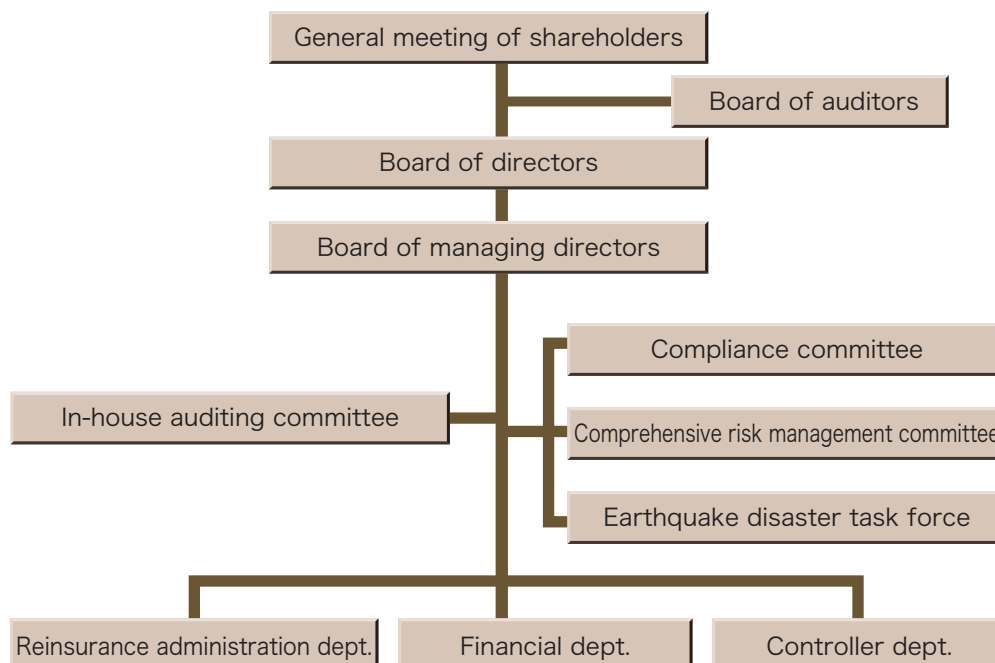
Sum of shares to be issued	2 million shares
Sum of issued shares	2 million shares
No. of shareholders	12

4 Basics

When to hold a general meeting of shareholders	A regular general meeting of shareholders is held within 4 months after April 1 every year.
Date of settlement	March 31 every year
Public announcement	By our internet homepage (http://www.nihonjishin.co.jp/)

Organization

(As of April 1, 2006)



Directors (full-time)

(As of June 30, 2006)

Post	Name / Date of birth	Career
Chairman (representative director)	Shozo Wakabayashi (November 23, 1943)	April 1967: Joined the Ministry of Finance (currently Finance Ministry) June 1998: Took office as administrative vice minister. Okinawa Development Agency (currently Calinet office) July 2001: Took office as managing director, Japan Securities Dealers Association June 2004: Took office as chairman of JER (present post)
President (representative director)	Akihiko Mori (August 3, 1943)	April 1967: Joined Tokio Marine Fire Insurance Co., Ltd. (currently Tokio Marine & Nichido Fire Insurance Co., Ltd.) June 2001: Took office as vice president of the above. April 2002: Took office as vice president, Millea Holdings. Inc. June 2003: Took office as managing director, JER June 2004: Took office as president, JER (present post)
Managing director (representative director)	Tatsuro Yoshida (April 30, 1948)	April 1972: Joined Yasuda Fire Marine Insurance Co., Ltd. (currently Sompo Japan Insurance Inc.) July 2002: Took office as executive officer, Sompo Japan Insurance Inc. June 2004: Took office as managing director, JER (present post)
Managing director (representative director)	Tsuyoshi Suzuki (June 3, 1944)	April 1968: Joined Sumitomo Marine Fire Insurance Co., Ltd. (currently Mitsui Sumitomo Insurance Co., Ltd.) October 2001: Took office as managing director, Mitsui Sumitomo Marine Kirameki Life Insurance Co., Ltd. June 2005: Took office as managing director, JER (present post)
Corporate auditor	Kentaro Takenaka (May 5, 1939)	April 1963: Joined Japan Non-Life Insurance Association. June 2000: Took office as managing director of the above June 2004: Took office as full-time auditor, JER (present post)

Employees

(As of March 31, 2006)

No. of employees	Average age	Average years of service	Average annual salary
21	41.2 years old	11.8 years	7,773,808 yen

Note 1: The number of employees is that of the workers.

Note 2: The average annual salaries include bonuses and overtime pay.

Note 3: The employees include no employer cum director, those on leave of absence from work and temporary workers.

Others

■ Remuneration for the directors

The amount of remuneration paid to the directors in fiscal 2005 came to 71 million yen.

■ Remuneration for the accounting firm

The amount of remuneration paid to Chuo Aoyama Accounting Firm in fiscal 2005 came to 7 million yen.