

IMIA Country Analysis 2015

Country	Premium Development	Claims Development	Underwriting Profitability	Business Outlook
<p>Japan</p> <p>National Report 2015</p>	<p>In the fiscal year 2015, which ended in March 2016, the premium income for the Engineering Insurances in Japan decreased by 1.9% from 81,477 million yen to 79,902 million yen.</p> <p>The trends of premium income of each business line from 2014 to 2015 are as below:</p> <ul style="list-style-type: none"> - MB premium increased by 0.5%, which is quite stable against last year. - EAR premium decreased by 12.4% mainly due to the decrease of the amount of construction projects on renewable energy power plants and replacement of aged thermal power equipment. - CAR premium increased by 1.6% mainly due to the increase of the amount of public construction and large-scale urban development projects. 	<p>In the fiscal year 2015, the claims amount for the Engineering Insurances in Japan increased by 22.9% from 40,564 million yen to 49,878 million yen.</p>	<p>In the fiscal year 2015, the loss ratio of Engineering Insurances in Japan was 62.4%. Loss ratio is stable and the profitability in these business lines has been maintained over the past years.</p>	<p>public and private investment are increasing due to bold monetary policy, flexible fiscal policy and a growth strategy to encourage private investment. This good trend has been boosting the growth of engineering insurance market.</p> <p>We expect the above trend stays unchanged for a moment and the premium income of engineering insurance continues to increase. On the other hand, the increase of material procurement costs and labor costs and the shortage of labor power have a negative influence.</p>