

Country Analysis Report - Japan

Country	Premium Development	Claims Development	Underwriting Profitability	Business Outlook
<p>Japan 2014</p>	<p>In the fiscal year 2014, which ended in March 2015, the premium income for the Engineering Insurances in Japan increased by 12.2% from 72,594 million yen to 81,477 million yen.</p> <p>The trends of premium income of each business line from 2013 to 2014 are as below: / MB premium increased by 4.9% mainly due to the hike in consumption tax from April 2014. / EAR premium increased by 11.9% mainly due to the hike in consumption tax from April 2014 and the increase of construction projects on renewable energy power plants and replacement of aged thermal power equipment. / CAR premium increased by 14.9% mainly due to the hike in consumption tax from April 2014 and the increase of public construction and large-scale urban development projects.</p>	<p>In the fiscal year 2014, the claims amount for the Engineering Insurances in Japan decreased by 14.6% from 47,507 million yen to 40,564 million yen.</p>	<p>In the fiscal year 2014, the loss ratio of Engineering Insurances in Japan was 49.8%.</p> <p>Improvement tendency of loss ratio is continuing and the profitability in these business lines has recovered.</p>	<p>The “Abenomics”, which is the key strategy on Japan’s economy, has been strongly pushing the recovery of Japan’s economic situation. The quantities of 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 in Japan. In addition, large-scale and various development projects of infrastructure related to Tokyo Olympics and Paralympics in 2020 will bring more investment from now.</p> <p>**“Abenomics” is the word mixed with Prime Minister “Abe” and “economics”. The key issues of engineering insurance market in Japan: Increase of construction projects of renewable energy power plants Increase of large-scale urban development Construction projects related to Tokyo Olympics and Paralympics in 2020.</p>