Greetings from the Chairman of the Association

For many years, the shipping industry enjoyed buoyant growth. However, global business conditions suddenly deteriorated following the aftermath of the collapse of Lehman Brothers Bank in 2008. This caused a sharp drop of cargo movements worldwide and led to a decline in general trade and the shipping market. This resulted in many countries entering a period of economic recession.

Recently, the world economy has been steadily recovering driven by the growth in trade with many developing countries, and from the effects which resulted from the implementation of the emergency economic plans which were introduced in many developed countries. However due to the recent financial deterioration of several major economies and the resulting fluctuations of both exchange and interest rates, we are less optimistic for the future of the world economy. Unfortunately, this uncertainty has been reinforced by the fact that the volume of cargo movements has not returned to the same level as before the collapse of Lehman Brothers Bank.

The effect on the insurance industry, in Europe and the United States of America has resulted in several companies, such as AIG having to be injected with large sums of public money and massive restructuring in order to prevent a deeper financial crisis. In Japan, there has been a significant restructuring and consolidation of both property and casualty insurance companies. This
かかる状況下、当組合は竣工新造船を中心として
綫やかではありますが契約量（加入総トン数）を伸ばすことができ、今年3月末に9,200万トンを超えて、昨年年に続き過去最高を記録しました。皆様の組合への
ご期待が、契約量の増加として顕れているものと深
謝申上げる次第です。
一方、船舶運航の急増に並行して、2004年より世
界的に大規模な保険事故が増加傾向にあり、事故の
多様化・高頻度化が続いております。他P&Iクラブ同様、
当組合においてもクレーム支払いの増加が保険成績
の悪化、組合収支の悪化を招いており、最近の経済
低迷、海上輸送の減少期でも、これまでのところ状況
は変わっておりません。

組合員の皆様同様、当組合としても安全運航の維
持が保険成績の回復に向けての最重要課題となっ
ており、従来以上にレスリベーション活動の強化を
計り、皆様の安全運航の一助を挙げて参る所存
です。

又、近年の各国の環境汚染に関する規制問題等
での対応は複雑化しており、P&I保険の役割、当組
合の役割は増々高まっております。当組合では、世
界主要13P&Iクラブで構成されるInternational Group of
P&I Clubs（IG）等から情報を集め、引き続き、状況・対応策等をご
案内して参ります。

当組合は今年10月2日に60周年を迎えます。厳しく、
複雑化する状況下ではありますが役職員一丸となっ
て業務の改善及び添弁に向け健全な努力で取り組
んで参りますので、組合員の皆様の、尚一層のご理
解、ご協力、ご支援のほどよろしくお願い申し上げます。

2010年7月21日
組合長 黒谷 研一

has resulted in their recapitalization as a
countermeasure to the increased level of risks. In
addition, there has also been intense competition
within the P&I insurance sector.

However, even under these very difficult trading
conditions, on 31 March, 2010, the overall volume of
tonnage entered with our Association
increased to more than 92 million tons. This
increase reflects a continuing increase in the
number of new building ocean-going vessel
entries and which enabled us to improve on the
previous year's record figure.

I further appreciate that Members have a high
level of expectations in respect of the provision of
our services and would like to express my sincere
gratitude to our Members for their continued
support.

Since 2004, the significant increase in the volume
of maritime trade has also been mirrored by the
number of worldwide maritime accidents of both
a diverse and expensive nature.

This has led to an increase in the level of claims
payments which has affected the level of
insurance performance of the Association. Our
experience has been similar to the situations faced
by other members of the International Group of
P&I Clubs (the “IG”).

Unfortunately, despite the decrease in world trade
and shipping movements since the collapse of
Lehman Brothers Bank, the size and frequency of
claims has shown no sign of improvement.

It is therefore most important for both our
Members and the Association that we continue to
improve our insurance performance through the
use of Loss Prevention activities. In this respect,
we have concentrated much more on Loss
Prevention issues in order to cooperate with our
Members so as to ensure the safe navigation of
their vessels.

Further, as the rules and policies which affect the
pollution of the environment have become more
complicated in almost every country, the roles and
responsibilities of P&I insurance and the
Association, have become increasingly important.
As one of the 13 members of the IG it has proved
to be a very useful source of information and
Greetings from the Director General

I was elected as Director-General at the General Meeting of Members and the Board of Directors convened on 21 July, 2010. It has been just 60 years since the founding of the Association. A sexagenarian birthday is traditionally a significant event, celebrated in Japan as a "Kanreki" anniversary. However, given that some of our members were established over 120 years ago, the Association can be regarded as being a member of a "younger generation".

It is due to the support and co-operation of our Members that the Association has grown to become one of the major international P&I Clubs. I would like to take this opportunity personally to extend my appreciation to all those who contributed to this growth.

There was a substantial increase in the world's fleet tonnage since the end of War with a significant rise in cargo carried by ocean-going vessels. The world economy overcame two oil shocks in the 1970s, and more recently, the perceived unprecedented economic crisis known as the "Lehman shock". Although the world
戦後、外航運業を中心として世界の海上荷動きの増加にともない、船舶数は大幅に増加しております。この間1970年代の2度のオイルショックを克服し、先のリーマンショックという未曾有の経済危機も乗り越えようとしている世界経済は、再び成長軌道に戻りつつあります。しかし大切なことは、すべての参加者が平等にそうした経済発展の恩恵を自動的に受けるわけではないんです。その意味では、2009年度に当組合の契約トン数が9,206万総トンとなり最高記録を更新したことは、当組合の継続的かつ一貫した努力の賛物だと思います。

私どもは良質な契約トン数の拡大に向けて引き続き最大限の努力いたします。何となればここ数年間当組合が大きな柱として掲げてきた3つの目標、すなわち「信頼される組合」「健全な組合」「国際性に富む活力ある組合」の達成には、成長や拡大によるスケールメリット効果および財務基盤の安定が必要不可欠であると考えるからです。組合員の皆様はこれで同様絶大なるご支援、ご協力お願い申し上げます。

皆様ご承知のようにリーマンショック以降、欧米政府の保険業も含めた金融機関に対するストレステストの強化はその財務基盤の拡充要請ではなく、強制に立ちつつあります。こうした流れを受け日本を含めた各国の保険監督当局もいわゆるソルベンシーマージン率の引き上げを検討する方向にあります。

一方で環境問題が高まるなか、国際条約や各国法令により、社主に課される責任は益々重荷される傾向にあり、それに従い組合が保険者として負担する責任も増大しております。

当組合を取り巻くこうした厳しい国際的な環境を勘案すれば、組合員の皆様のご協力もとより、組合を挙げて収益性の拡充、強化に対する取組が不可欠です。こうした観点に立つて今年度の事業計画で掲げました22億円のコスト削減の目標の達成はもちろん、財務基盤の強化のために継続的なコスト削減政策がますます重要となります。

We will use our best efforts to increase the amount of high-quality tonnage entered with the Association because I believe that the Association must take advantage of the scale of growth and a solid financial foundation in order to achieve the three management targets of "reliability", "soundness" and "competitiveness". I respectfully request Members to continue to provide us with their support and co-operation so that we might attain these targets.

After the Lehman shock, financial "stress-tests" have been imposed by US and EU governments on the financial and insurance industries to ensure that participants are sufficiently capitalised. Consistent with this approach, regulators in many countries, including Japan, are seriously considering increasing the solvency margins for insurance entities.

Growing public concern about the protection of the environment has increased the responsibilities of owners as a result of International conventions and national legislation. This has resulted in a similar increase in liabilities and exposure of the Association.

The Association cannot meet these very difficult worldwide developments without the cooperation of Members and without our own efforts to increase earnings and profitability. We must achieve a cost savings plan of JPY2,200 million in this year’s business plan. This will require, furthermore, the consistent and continuous
Last year (2009) we established a subsidiary in London, the realisation of one of our long-held objectives. This permits us to expand and reinforce our global activities whilst allowing us to respond to our Member’s global needs. This is but a small first step, when compared to Members’ existing worldwide network. We are, however, considering the establishment of another base in Asia, in order to promote the internationalisation of the Association, and of our international perspective.

Finally, as an insurance Association that provides mutual assistance to Japanese coastal and international vessels, our first priority is to provide services to our Members. Such support can strengthen the management and financial base of our Members, through risk management and the provision of competitive insurance services. Bearing this primary priority in mind, we must all, without fail, make the best efforts to understand - and meet - our Members’ requirements.

Thank you all for your continuous support and cooperation with the Association.

21 July, 2010
Kenichi Yonetani, Director General
事業概況及び決算（2009年度）
Business Review for the 2009 Financial Year
—For the Period From 1 April 2009 to 31 March 2010—

当組合の2009年度事業概況及び決算内容について、去る7月21日（水）に開催された第60期組合員通常総会での「理事長報告」より概略ご報告申し上げます。

1) 当期の業績

・契約図（組合員数、隻数、トン数）
当期末の組合員数は前期比100名減の4,040名、加入隻数は前期比258隻減少して5,928隻となりました。加入トン数は外航船契約の引き続いての増加と船舶大型化により9,206万総トンと昨年に引き続き最高峰を更新いたしました。しかしながら、前期比では75万トン増にとどまり、伸び幅は過去5年と比べ低い水準となりました。

・損益状況
経常収益合計は前期を5.8億円上回る5.8億円となりました。
一方、正味寄付保険金及び支払保険金積入額等のクレーム関連費用が円高傾向にもかかわらず前期とほぼ同じ高水準で推移ため、経常費用合計は前期を13.7億円上回る18.6億円となりました。その結果、当期の損益収支は4.3億円の純損失となりました。

・財務基盤安定策
当組合では、保険者としての国際的信用力の維持・強化を目的として、2008年度の第2次財務基盤安定策を実施しております。その2年目となる当期決算では5.3億円の異常危険準備金を繰入れました。

A Summary of the Report from the Director General on the 60th Ordinary General Meeting of Members, which was held on 21 July, 2010, is introduced below.

1) Business Performance for the 2009 Financial Year (“the Term”)

・ Underwriting Business (number of Members; number of ships; and volume of tonnage entered with the Association)
During the Term, the total number of Members of the Association decreased by 100 to 4,040, from the previous Term. In addition, the number of ships entered with the Association fell by 258 to 5,928 ships, when compared with the previous Term. However, the total volume of tonnage entered with the Association increased by 1.75 million tons to a total of 92.06 million tons. Whilst this amount is greater than that for the previous Term and represents an improvement on the highest record last year, this increase represented the lowest such level of increase for the last five years.

・ Profit / Loss
The “Ordinary Income” increased by JPY580 million up to JPY18,080 million, when compared with the previous Term. The “Ordinary Expenditure” increased by JPY1,370 million up to JPY18,680 million, when compared with the previous Term. However, in spite of the appreciation of the Yen, the level of claims-related costs, such as the amount of net claims paid and provisions made for outstanding claims has remained higher than for the previous Term. As a result, the Association incurred a “Net loss after taxes” in the sum of JPY430 million.
だが、損失金処理のために特別積立金から4.3億円取り崩すことになりました。このため、フリーリザーブの積立ては正味1億円の増加にとどまりました。

・その他
当期中には、日本及び英国両当局より認可を得たし、ロンドンにおいてクレームサービスを専門とするJapan P&I Club (UK) Services Ltd. が6月29日に業務を開始し、時差のないサービス体制が整いました。

2) 2010事業年度について
新年度に入ってからも大型クレームが予想を上回るペースで発生するなど、引き続きクレーム件数・金額が好転する兆しは見られず厳しい環境にありますが、今後とも健全な組合運営及び適正な保険料水準の維持を目指して、事務局一丸となって組合運営に一層適進してまいります。そのため今年度におきましては、保険収支バランスの改善を目的としてコスト削減策を実施しており、その一環として、事務局から加入船舶に事故撲滅を呼びかける訪問活動を開始するとともに、コンディションサーベイ実施船を従来より大幅に増やして、ロスプリベンション効果の実現に取り組んでおります。組合員の皆様におかれましても当組合へのなお一層のご支援・ご協力を賜りますよう、よろしくお願い申し上げます。

・Strategy to Further Improve the Association’s Financial Strength
In order to maintain and reinforce our international credibility as an insurer, during 2008, the Association commenced the “Second Five Year Term Strategy to Improve the Association’s Financial Strength”. The current Term coincided with the second year of the Strategy, during which the accumulated free reserves increased by JPY100 million over the previous Term. This was to the result of a balance caused by the differences between the increase of the catastrophe reserves of JPY530 million and the decrease of the Special Reserve for the disposition of the unappropriated deficit in the sum of JPY430 million.

・Other Information
Our new subsidiary company based in London, Japan P&I Club (UK) Services Ltd. received the necessary approvals from the respective regulatory authorities of both Japan and the U.K., to enable it to be launched on 29 June 2009. It provides a claims-handling service from London without being impeded by any time-zone differences between Asia and Europe.

2) 2010 Financial Year Outline
At the beginning of 2010 Financial Year, there were several unexpected large sized incidents. Unfortunately, neither the number of incidents nor the amounts of claim payments have decreased. As a result, all of our staff will continue to make every effort to strengthen the financial status of the Association and to explore appropriate levels of premium during the current challenging conditions.

In order to improve the insurance business balance sheet, the Association has managed to institute several cost saving programs to further assist the effects of our loss prevention activities such as our Visiting Ships Campaign which involves visits to Members’ ships by our staff in order to alert our Members to the prevention of future losses. In addition, there will also be an increase in the number of condition surveys to be undertaken.

I would therefore sincerely ask for the continued support of every Member of the Association.
1. Introduction

In accordance with our Club Special Circular which was issued on 9 February, 2010 “A request for your support and cooperation of the Association’s Visiting Ships Campaign”, we duly commenced our first such Campaign from 29 April, 2010. Over a period of two months, we visited around thirty (30) of our Members’ ships.

Following the establishment of the Loss Prevention and Ship Inspection Department in 2008, we have promoted an enhanced Loss Prevention Service to help and support Members in their efforts to avoid unnecessary exposure to those situations which may involve economic loss and damage to their reputation as a result of claims. From this policy year (2010), we considered further plans, such as an increase in the number of condition surveys, together with the promotion of further strengthening Members awareness about loss prevention through the delivery of appropriate information. In addition to these plans, it was suggested at a recent board meeting, that we plan our Visiting Ships Campaign. This involves visits to Members’ ships by our staff during which they alert our Members’ ships to the prevention of future loss.

2. Our Poster

Before visiting our Members’ ships, we produced a poster for this Campaign, which we thought should have a strong impact. After due consideration, we decided to illustrate the poster using the famous painting “Ukiyoe” by the Japanese artist, Hokusai’s. We believe this to be appropriate because our Association is situated in Japan and this painting shows that the ships are being sailed safely despite the high waves and
3. 本船にて

実際の訪船は、当組合事務局から、原則、幹部職員1名（理事長を含めた理事、部長、グループリーダー等）と助手スタッフ1名、合計2名で、東京、千葉、茨城、神奈川などの関東地域寄港する本船に訪問させて頂きました。本船では、まず、今般の訪船活動の趣旨、即ち、「昨今加入船舶が増加していますが、残念ながらそれにもまして海事クレームも増えており、また1事故あたりのクレーム額も増えています。事故を少しでも減らしたい」という思いで、本船乗組員の皆様に直接事故防止を呼びかけさせていただきたい」という旨をお伝えしました。本船の乗組員皆様と安全対策に関する意見の交換をさせて頂き、お渡しした事故防止を訴えるポスター2部は、食堂やブリッジ等乗組員の目に留まる場所に、すぐ貼って頂きました。

また、P&I ロスプリベンションガイドのバックナンバー、その他、当組合作成の「船長ハンドブック」も必要に応じ、お配り致しました。「船長ハンドブック」はかなりの本船で既にご愛用頂いており、「毎晩就寝前に船長ハンドブックを聞いて、基本事項を確認しています」とおっしゃる船長さんもおられました。

3. On board the ships

During the visits, two or more members of staff from our Association, , visited various Members’ ships which were due to call at the ports of Kanto area (Tokyo, Chiba, Ibaraki, Kanagawa etc). Normally a senior staff member, such as Group Leader or above was accompanied by a junior member of staff. During these visits to our Members ships, after we had explained the purpose of our Visiting Ships Campaign, we discussed and exchanged views in respect of the prevention of accidents. We also delivered the above posters to the ship. Immediately following receipt, each captain placed a copy on the walls of the bridge together with another copy in a suitable place such as a dining room where they will be seen by the crew members as often as possible. Further, in accordance with the requirement of the Visiting Ships Campaign, we provided each ship with past issues of our P&I Loss Prevention Bulletins together with a copy of the booklet named “Master’s Handbook”. Reassuringly, the crews on board Members’ ships already appeared to have been familiar with this useful material. Indeed, one captain even advised that he regularly reads sections of the Master’s Handbook every night in order to learn the basic points for the prevention of accidents and resulting losses.
4. お礼と今後の予定

今般の当組合事務局の訪船活動には、既に組合員の皆様の十分なるご理解を頂いており、実際に船に際しては絶大なるご協力を頂きました。停泊中荷役等で、船長はじめ乗組員の皆様はとてもお忙しいご様子でしたが、当組合スタッフの訪船を大変歓迎して頂きました。組合員、乗組員の皆様に心より感謝申し上げます。私どもも、本船を見学させて頂くとともに、乗組員の皆様が如何に真摯に安全運航を考えておられるかをより深く理解することができ、今後の事務局スタッフによる訪船活動が、日頃より安全運航を心がけておられる本船への応援になったのではないかと思います。

第一弾の訪船活動は終了しましたが、この度の実績を踏まえた上で、今年の秋に次の訪船活動を行うことを予定しています。

4. Future plan

We believe that Members have fully understood the purpose of the Visiting Ship Campaign and have provided us with their utmost cooperation. The captains and other crew members welcomed us on board and kindly showed us around their ships even though they were busy dealing with the day to day running of the ship such as cargo operations whilst in port. We would therefore like to express our sincere appreciation and thank our Members and their crews for their support and cooperation. Whilst we understand that the crew members always bear in mind the safety of their ships, we believe that our recent visits have provided them with additional encouragement for the continued safe operation of Members ships.

We are currently reviewing the data from our first Visiting Ship Campaign and plan to incorporate this information into our second Campaign which is planned for the autumn of this year.

ご協力ありがとうございました。

Many Thanks for Your Cooperation.
組織変更
Organisational Change

7月21日より経理部システムグループに代えて新たに「情報システム部」を設置いたしました。
As of 21st July 2010, the Association instituted an organisational change and established a "Information Systems Department" in place of System Group of Accounting Department.

人事のお知らせ
Staff News

◎人事異動（2010年7月21日付け） Promotions and changes: On 21 July 2010:

理事 全面部長
志田正義
Masayoshi Shida, Director, has been appointed General Manager of Planning Department.

情報システム部長
石井哲郎
Tetsuo Ishii has been appointed General Manager of Information Systems Department.

契約部長兼第2グループリーダー
小林敬典
Keisuke Kobayashi has been promoted to General Manager of Tokyo Underwriting Department. He has also been appointed Assistant General Manager of Group II of the Department.

経理部経理グループリーダー兼財務グループリーダー
萩原 基
Motoi Hagihara has been appointed Assistant General Manager of both Accounting Group and Financial Group of Accounting Department.

企画部企画グループリーダー
内藤 和
Minoru Naito has been appointed Assistant General Manager of Planning Department.

情報システム部情報システムグループリーダー
浜口克宏
Katsuhiro Hamaguchi has been appointed Assistant General Manager of Information Systems Department.

情報システム部情報システムグループ・マネージャー
野田憲司
Kenji Noda has been appointed Manager of Information Systems Group of Information Systems Department.