

**Industry Highlights - Q2 of 2023 Vs Q2 of 2022**

No.	Description	Quarter 02 - 2023	Quarter 02 - 2022
		Value (Rs.'000)	Value (Rs.'000)
1	Profit of Insurance Companies (Before Tax)	1. Life Insurance 2. General Insurance	13,557,791 6,174,267
	Profit of Insurance Companies (After Tax)	1. Life Insurance 2. General Insurance	Not Available Not Available
2	Underwriting Profit of Insurance Companies underwriting profit of	1. Life Insurance 2. General Insurance	Not Applicable 6,608,911
			6,347,087
3	Capital levels of Insurance Companies	1. Life Insurance 2. General Insurance	157,483,464 138,781,790
	Compliance with Solvency Margin (RBC)		A life insurer and a General Insurer (TAC & CAR) had not complied with the minimum requirement.
4	Total Assets of the insurance sector	<b>1,023,529,637</b>	<b>906,297,804</b>
5	<b>1. Life Insurance Note 7</b>	<b>734,165,169</b>	<b>641,652,769</b>
	Government Debt Securities	355,067,732	303,698,120
	Equities	38,300,916	28,724,527
	Investments in Subsidiaries	5,974,319	5,964,684
	Investments in Associates	4,617,165	2,439,346
	Corporate Debt	130,326,965	139,950,093
	Land & Buildings	7,187,170	6,439,113
	Deposits	93,919,653	72,469,812
	Unit Trusts	7,321,639	7,703,234
	Investments in Gold	-	218,550
	Reinsurance receivable	2,783,064	3,086,296
	Policy Loans	9,501,899	7,826,162
	Mortgage Loans	-	-
	Premium receivable from policyholders and intermediaries	4,616,712	3,969,839
	Intangible Assets	2,695,326	3,175,302
	Property Plant and Equipments	19,002,350	17,053,512
	Other loans	4,545,014	4,309,051
	Other Assets	28,561,557	27,709,318
	Cash and Cash Equivalents	19,743,688	6,915,812

	<b>2. General Insurance</b>	<b>289,364,468</b>	<b>264,645,035</b>
	Government Debt Securities	95,418,186	89,662,595
	Equities	13,113,598	9,672,774
	Investments in Subsidiaries	22,895,180	21,741,979
	Investments in Associates	228,196	255,895
	Corporate Debt	16,484,824	17,805,173
	Land & Buildings	4,815,479	4,462,699
	Deposits	29,081,634	23,348,151
	Unit Trusts	2,902,259	3,533,202
	Investments in Gold	18,800	-
	Reinsurance receivable	19,372,696	18,778,634
	Policy Loans	-	-
	Mortgage Loans	-	-
	Premium receivable from policyholders and intermediaries	28,462,158	29,047,138
	Intangible Assets	2,941,536	2,247,532
	Property Plant and Equipment	20,304,157	19,786,303
	Other Loans	1,993,693	767,383
	Other Assets	23,084,460	17,624,482
	Cash and cash equivalents	8,247,613	5,911,095
6	Gross Premiums for different classes of insurance	<b>Total</b> <b>139,747,034</b>	<b>128,382,455</b>
	1. Life Insurance	73,094,606	66,216,081
	2. General Insurance	66,652,429	62,166,374
	a. Motor	31,863,109	31,732,112
	b. Fire	13,363,242	8,153,037
	c. Marine	2,354,183	1,947,855
	d. Health	11,499,169	11,333,907
	e. Other categories	7,572,725	8,999,463

No.	Description		Quarter 02- 2023 Value (Rs.'000)	Quarter 02 - 2022 Value (Rs.'000)
7	Reinsurance by Insurance Companies <sup>Note 4</sup>	<b>1. Reinsurance premiums</b>	<b>19,530,720</b>	<b>16,148,953</b>
		a. Life Insurance	3,481,485	3,108,972
		b. General Insurance	16,049,235	13,039,982
		A. Reinsurance total after excluding SRCC premium income <sup>Note 6</sup>	16,049,235	13,039,982
		B. Premium Income of SRCC included in the reinsurance premium	4,100,158	3,397,129
		C. Total Reinsurance including premium income of SRCC <sup>Note 5</sup>	20,149,393	16,437,111
		a. Motor	3,016,427	1,712,100
		b. Fire	10,155,732	6,386,482
		c. Marine	1,667,294	1,359,222
		d. Health	472,081	442,743
		e. Other categories	4,837,860	6,536,565
		<b>2. Retention of Premium</b>	<b>120,216,315</b>	<b>112,233,502</b>
		a. Life Insurance	69,613,121	63,107,109
		b. General Insurance	50,603,193	49,126,393
8	Retention by Insurance Companies <sup>Note 4</sup>	a. Motor	28,846,682	30,020,013
		b. Fire	3,207,510	1,766,556
		c. Marine	686,890	588,633
		d. Health	11,027,089	10,891,164
		e. Other categories	2,728,399	2,572,887
		f. SRCC	4,106,624	3,287,140
		<b>Total</b>	<b>118,934,051</b>	<b>109,887,097</b>
		1. Life Insurance	69,608,568	63,107,954
		2. General Insurance	49,325,484	46,779,142
		a. Motor	30,250,888	29,347,061
		b. Fire	2,748,220	1,421,710
		c. Marine	657,318	561,810
		d. Health	9,353,566	10,023,462
		e. Other categories	2,341,540	2,120,743
		f. SRCC	3,973,951	3,304,356

9	Claims of Insurance companies <sup>Note 4</sup>	1. Life Insurance	37,302,131	25,345,365
		2. General Insurance	31,339,870	31,754,363
		a. Motor	19,028,670	18,390,270
		b. Fire	1,574,208	937,054
		c. Marine	294,522	266,838
		d. Health	9,154,219	10,145,544
		e. Other categories	1,266,711	914,281
		f. SRCC	21,540	1,100,376
10	Investments of the Insurance sector with breakup	<b>1. Life Insurance</b>	<b>656,762,473</b>	<b>579,742,692</b>
		Government Debt Securities	355,067,732	303,698,120
		Equities	38,300,916	28,724,527
		Investments in Subsidiaries	5,974,319	5,964,684
		Investments in Associates	4,617,165	2,439,346
		Corporate Debt	130,326,965	139,950,093
		Land & Buildings	7,187,170	6,439,113
		Deposits	93,919,653	72,469,812
		Unit Trusts	7,321,639	7,703,234
		Investments in Gold	-	218,550
		Policy Loans	9,501,899	7,826,162
		Mortgage Loans	-	-
		Other Loans	4,545,014	4,309,051
		<b>2. General Insurance</b>	<b>186,951,848</b>	<b>171,249,851</b>
		Government Debt Securities	95,418,186	89,662,595
		Equities	13,113,598	9,672,774
		Investments in Subsidiaries	22,895,180	21,741,979
		Investments in Associates	228,196	255,895
		Corporate Debt	16,484,824	17,805,173
		Land & Buildings	4,815,479	4,462,699
		Deposits	29,081,634	23,348,151
		Unit Trusts	2,902,259	3,533,202
		Investments in Gold	18,800	-
		Policy Loans	-	-
		Mortgage Loans	-	-
		Other Loans	1,993,693	767,383
11	Investment Income of Insurance Companies	1. Life Insurance	45,799,598	21,177,467
		2. General Insurance	12,721,008	4,932,540

Description		Quarter 02 - 2023		Quarter 02 - 2022			
	Indicator	General Insurance Note 2	Life Insurance	General Insurance	Life Insurance		
12	Aspects of Financial System	Capital Adequacy Ratio	192%	352%	223%		
		Capital to Total Assets	0.48	0.21	0.48		
		Capital to Technical Reserves	1.94	N/A	1.67		
		Technical Reserve Ratio (%)	139.13	N/A	126.27		
	Earnings and Profitability	Profitability Ratio (%)	8.73	18.55	22.90		
		Underwriting Ratio (%)	13.40	N/A	13.57		
		Return on Assets (ROA) (%)	6.52	4.29	9.71		
		Return on Equity (ROE) (%)	13.63	20.62	19.91		
		Net Combined Operating Ratio (%)	111.74	96.80	106.61		
		Investment Yield Ratio (%)	13.49	14.04	6.69		
	Liquidity	Premium Stability Ratio (%)	7.91	10.39	18.30		
		Liquidity Ratio	0.88	0.81	0.85		
	Reinsurance and Actuarial Issues	Loss Ratio (%)	63.54	53.59	67.88		
		Retention (Reinsurance) Ratio (%)	71.52	95.24	74.93		
	Costs	Management Expense Ratio (%)	48.20	43.21	38.73		
13	Total Assets of the Insurance Brokering Companies <small>Note 2</small>	11,140,625		9,163,124			
14	Compliance with regulatory requirements	Any non-compliance with the Regulatory requirements will be informed to the relevant companies to take corrective actions and monitored those accordingly.					
15	Developments in the insurance industry, with specific references to the buildup of risk	Profits (PBT) of Life Insurance business shows a increase (Rs.6 Bn) in the 2nd quarter 2023. Overall profits (PBT) of General Insurance business shows a decrease of Rs. 8.8Bn (59% decrease)					
		Assets of the Life Insurance business had recorded an increase of 14% due to increase in Government Securities (17%), Equity (33%), Investments in Associates ( 89%), and Cash and cash Equi (185%) Assets of General Insurance business had increased by 9%. Government securities (6%), Equity (36%), Investment in Gold (100%), and Cash & Casg Equ (40%) had indicated an increase. Capital Levels had increased by 22% for the Life Insurance business and depicts a decrease of 10% for General Insurance business respectively.					
		Premium growth for Life Insurance business was 10%, while General Insurance business also recorded a increase of 7% & overall industry premium growth was 8%.					
		Claims of Life Insurance business had increased by 47% and claims of General Insurance business had decreased by 2%.					

## Notes

**Note 1** The above data for Q2 2023 and the comparative column Q2 2022 include data for all General Insurance Companies and Life Insurance Companies

**Note 2** Total assets of the Insurance Brokering Companies represents all Insurance Brokering Companies excluding 3 Brokering Companies due to non-submission of Quarterly Returns.

As per previous submissions IRCSL had informed that particulars related to National Insurance Trust Fund (NITF) have not been included. The reason for excluding NITF information when submitting previous

**Note 3** insurance industry statistics was the inability of categorizing some of the data of NITF according to the provided format. However IRCSL has incorporated NITF statistics (except for reinsurance and crop) for quarter 1 submission to provide more accurate information of the insurance industry.

**Note 4** The format has modified by including few rows to present SRCC scheme (segment) of NITF (Items 7,8 and 9).

**Note 5** Reinsurance premium (outgo) recorded in the Statement of Income of insurance companies included premium income belongs to SRCC which remitted to NITF.

**Note 6** The submitted data of General Insurance companies are excluded SRCC premium together with reinsurance premium. Accordingly, segment-wise SRCC premium cannot be identified separately based on submitted returns. Therefore SRCC reported by NITF excluded from the total reinsurance balance to avoid the duplication.

**Note 7** Information related to Investments recorded under Ceylinco Life of Q2 2022 & Q3 2022 were changed from the previously submitted. Hence the changes have been incorporated with the current submission.