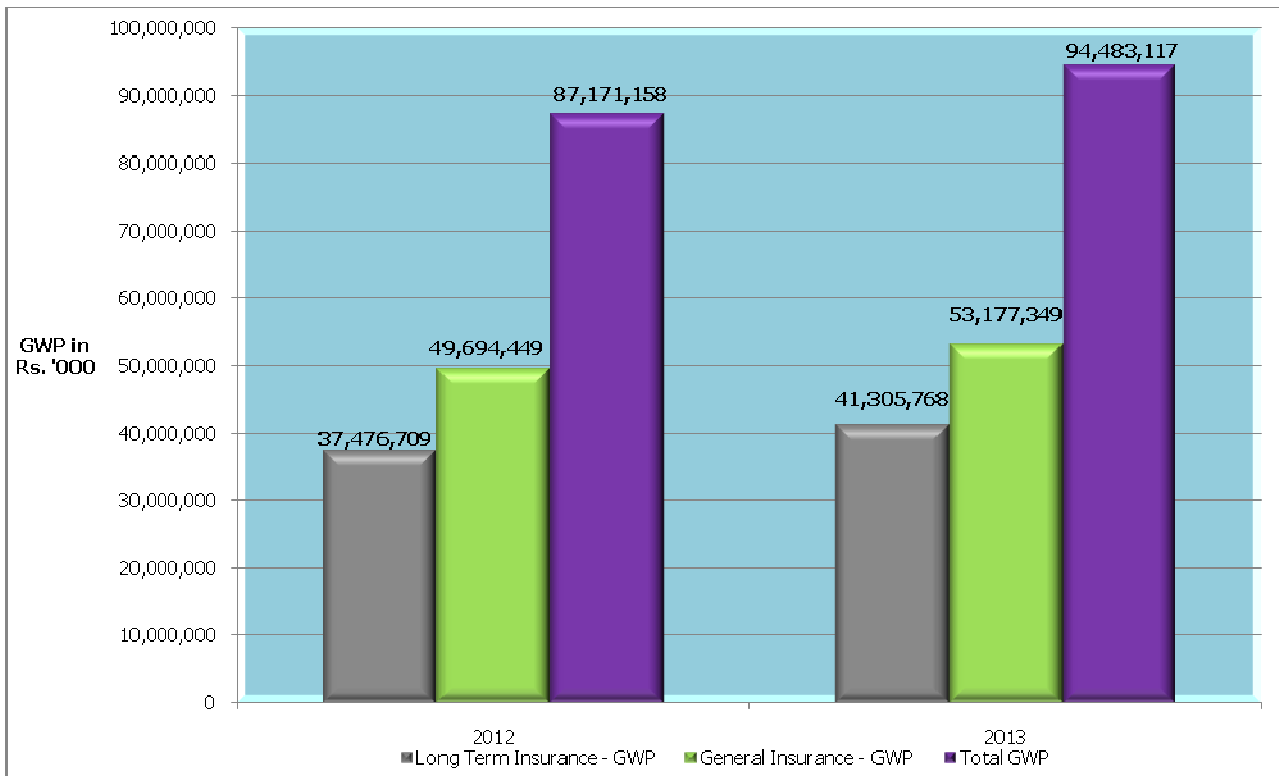


## **PRESS RELEASE**

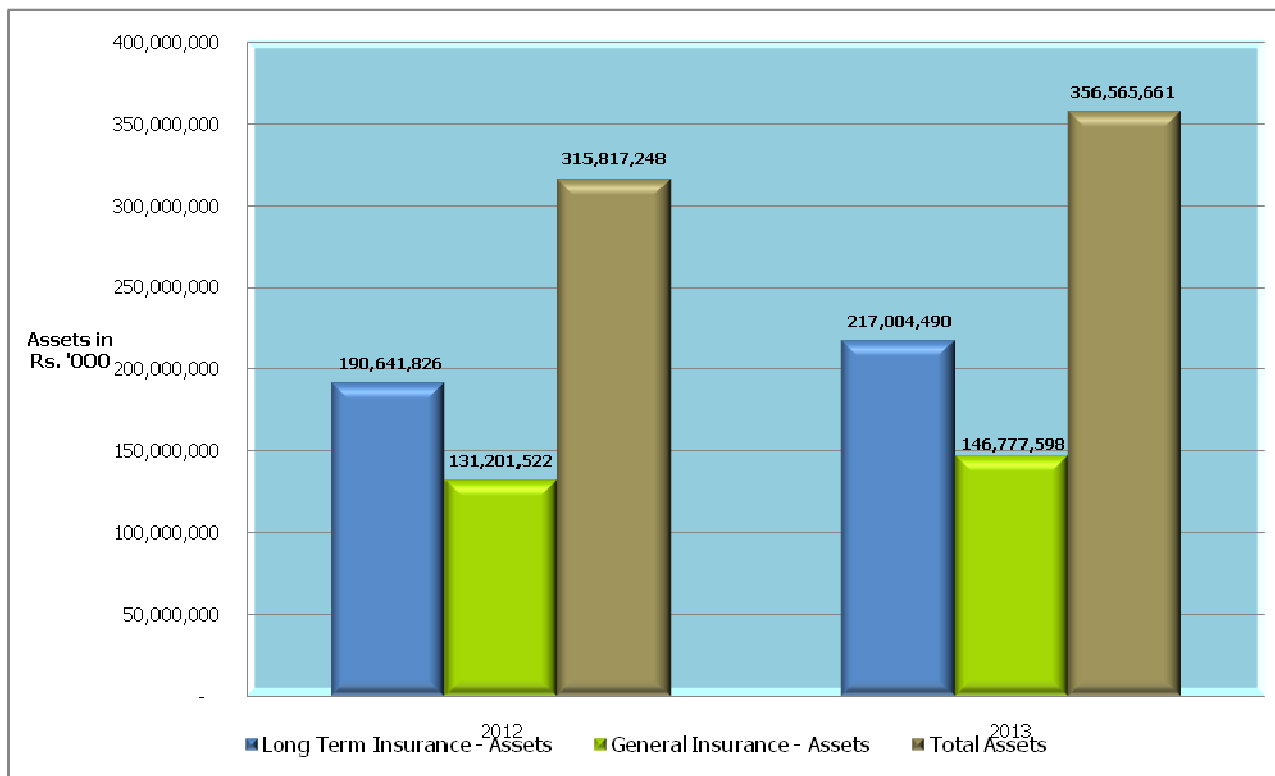
### **Performance of the Insurance Industry for the year 2013**

The insurance industry sustained its growth during the year 2013. The overall Gross Written Premium (GWP) grew by 8.39% and total assets increased by 12.9% when compared to 2012.

The overall Gross Written Premium (GWP) Income for Long Term Insurance and General Insurance businesses in 2013 was Rs. 94,483 million compared to 2012 amounting to Rs. 87,171 million which reflected a growth of 8.39%. The GWP Income of Long Term Insurance Business amounted to Rs. 41,306 million (2012: Rs. 37,477 million) while the GWP Income of General Insurance Business amounted to Rs. 53,177 million during 2013 (2012: Rs. 49,694 million). Thus, Long Term Insurance Business and General Insurance Business witnessed a growth of 10.22% and 7.01% respectively in GWP Income during 2013 when compared to 2012.



The Total Assets of the insurance companies have increased to Rs. 356,566 million as at 31<sup>st</sup> December 2013 when compared to Rs. 315,817 million recorded as at the end of 2012, reflecting a growth of 12.9%. The assets of Long Term Insurance Business amounted to Rs. 217,004 million (2012: Rs. 190,642 million) while the assets of General Insurance Business amounted to Rs. 146,778 million (2012: Rs. 131,201 million) indicating a growth rate of 13.83% and 11.87% respectively at the end of 2013.



At the end of 2013, the investment of the total assets of Long Term Insurance Business in Government Securities amounted to Rs. 94,024 million representing 43.33% (2012: Rs. 98,147 million; 51.48%), while such investment of the total assets of General Insurance Business amounted to Rs. 27,585 million representing 18.79% (2012: Rs. 29,602 million; 22.56%). Accordingly, the total investment of both Long Term Insurance Business and General Insurance Business in Government Securities amounted to Rs. 121,610 million (2012: Rs. 127,749 million) as at 31<sup>st</sup> December 2013.

In terms of Section 98 of the Act, the Board inquires into policyholders' grievances in connection with insurance claims and matters relating to qualifications of agents. During the period, IBSL inquired into a total of 298 such complaints.

Out of twenty one (21) Insurance Companies (Insurers) operating as at 31<sup>st</sup> December 2013, twelve (12) are composite companies (dealing in both General and Long Term Insurance Businesses), six (06) companies carry on General Insurance Business and three (03) companies carry on only Long Term (Life) Insurance Business.

Fifty nine (59) insurance brokering companies registered with IBSL in terms of Section 82 of the Act as at 31<sup>st</sup> December 2013, engaged in insurance brokering business concentrating mainly in General Insurance Business. As confirmed by the Insurance Brokering Companies, the premium income generated through General Insurance Business amounted to Rs. 14,192 million (2012: Rs. 12,532 million) while the premium

income generated through Long Term Insurance Business amounted to Rs. 191 million (2012: Rs. 195 million). The total premium income from both General Insurance Business and Long Term Insurance Business generated through insurance brokering companies amounted to Rs. 14,383 million during 2013, compared to Rs. 12,727 million during the previous year. Thus, the total premium income generated through insurance brokering business witnessed a growth of 13.02% during the year 2013 when compared to 2012.

The insurance industry is regulated and supervised by the Insurance Board of Sri Lanka (IBSL) in terms of the Regulation of Insurance Industry Act, No. 43 of 2000 (the Act).

*Note:*

- 1) 2013 figures are unaudited.*
- 2) Strike, Riot, Civil Commotion and Terrorism (SRCC & T) premium income of National Insurance Trust Fund (NITF) eliminated from insurance companies' general insurance GWP.*
- 3) The above analysis does not include National Insurance Trust Fund information, since required information was not submitted to IBSL.*
- 4) In total assets, inter segment balances (i.e. transactions between Long Term Insurance and General Insurance segments) eliminated for 2012 amounting to Rs. 6,026 million and for 2013 amounting to Rs. 7,216 million.*

**Insurance Board of Sri Lanka**

**Level 11, East Tower**

**World Trade Centre**

**Colombo 01**