

Statistical Review

An Overview of the Insurance Industry

The Sri Lankan insurance industry recorded a growth of 5.14% in 2014 by generating a Gross Written Premium (GWP) amounting to Rs. 99,872 million. This is a relatively lower growth rate compared to 8.97% experienced in 2013. This lower growth rate was particularly evident from the decline in the growth of general insurance business which recorded a growth rate of 3.66% compared to 7.28% recorded in 2013. GWP of long term insurance business also experienced a slowdown in growth in 2014 and grew by only 7.04% compared to 11.20% recorded in 2013.

The Gross Domestic Product (GDP) of the Sri Lankan economy steadily increased by 7.40% in 2014 compared to 7.20% recorded in 2013 which was mainly attributed to the substantial increases in the GDP of the industrial and services sectors. As reflected in Table 1, GDP of the economy has increased to Rs. 9,785 billion in 2014 compared to Rs. 8,674 billion recorded in 2013 mainly due to the monetary policy exercised by the Central Bank of Sri Lanka which resulted in a decline in interest rates and inflation and overall improvement in macroeconomic factors. Further, gradual improvement of the global economy following the 2008-2012 financial crisis, decline in oil prices during the latter part of 2014, etc. had favorable effects on the Sri Lankan economy.

GWP generated from long term and general insurance businesses in 2014 amounted to Rs. 99,872 million (2013: Rs. 94,987 million) as depicted in Table 1. GWP generated from the long term insurance

business amounted to Rs. 44,610 million in 2014 (2013: Rs. 41,676 million) while general insurance business generated GWP amounted to Rs. 55,262 million (2013: Rs. 53,311 million) indicating declining growth rates for both classes against the previous year. Strike, Riot, Civil Commotion & Terrorism (SRCC & T) premium pertaining to general insurance business amounted to Rs. 3,491 million in 2014 (2013: Rs. 2,957 million) and therefore GWP of general insurance business inclusive of SRCC & T premium amounted to Rs. 58,753 million in 2014 (2013: Rs. 56,268 million).

Insurance penetration which reflects the total insurance premium as a percentage of GDP was recorded at 1.02% in 2014 and indicated a decline compared to 1.10% recorded in 2013. Penetration level of long term insurance business was 0.46% in 2014 (2013: 0.48%) while penetration level of general insurance business was recorded at 0.56% in 2014 (2013: 0.61%) with both classes indicating a decline in penetration levels. Low growth rates and low penetration levels recorded for both long term and general insurance businesses reflect the greater need to promote benefits of insurance among all segments of the society and to develop and offer insurance products which meet diverse needs of customers.

Insurance density which represents the insurance premium income per person of the population has increased to Rs. 4,831 in 2014 from Rs. 4,637 recorded in 2013, growing by 4.18% mainly due to increased premium income against insignificant increase in the population.

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Table 1
Premium Income & Penetration

	2010	2011	2012	2013 (a)	2014 (b)
Long Term Insurance (Rs. millions)	31,152	35,162	37,477	41,676	44,610
General Insurance (Rs. millions)	35,101	43,329	49,694	53,311	55,262
Total Premium Income (Rs. millions)	66,253	78,491	87,171	94,987	99,872
Growth Rate in Total Premium (%)	15.12	18.47	11.06	8.97	5.14
Gross Domestic Product (Rs. billions)*	5,604	6,544	7,579	8,674	9,785
GDP Growth Rate % *	8.0	8.2	6.3	7.2	7.4
Penetration % (Total Industry Premium as a % of GDP)	1.18	1.20	1.15	1.10	1.02
Penetration % (Premium of Long Term Insurance Business as a % of GDP)	0.56	0.54	0.49	0.48	0.46
Penetration % (Premium of General Insurance Business as a % of GDP)	0.63	0.66	0.66	0.61	0.56
Insurance Density (Total Premium Income/ Population) Rs.	3,208	3,761	4,288	4,637	4,831
Population '000 (Mid Year) *	20,653	20,869	20,328	20,483	20,675

*Source: Central Bank of Sri Lanka and Department of Census and Statistics

(a) Reinstated audited figures

(b) Provisional figures

Notes:

1. Strike, Riot, Civil Commotion and Terrorism (SRCC & T) premium income of NITF has not been considered for insurance companies' general insurance GWP from year 2010.
2. Above analysis does not include information of NITF since required complete information was not submitted to the Board.

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Total Assets of Insurance Companies

As reflected in Table 2, total assets of insurance companies after eliminating inter segment transactions amounted to Rs. 406,827 million as at 31st December 2014 (2013: Rs. 357,465 million) posting a growth rate of 13.81% compared to 2013. As reflected in Table 2 assets of insurance companies had grown steadily from 2010 to 2014.

Assets of long term insurance business stood at Rs. 249,850 million as

at 31st December 2014 (2013: Rs. 216,275 million) and grew by 15.52% in 2014 compared to 2013. Assets pertaining to general insurance business and shareholders amounted to Rs. 163,834 million as at 31st December 2014 and grew by 10.39% in 2014 compared to assets worth of Rs. 148,410 million recorded as at 31st December 2013.

Chart 1 depicts the total assets of insurance companies, growth rates of assets and value of intersegment assets from 2010 to 2014.

Table 2

Assets of Insurance Companies

	2010	2011	2012	2013 (a)	2014 (b)
Long Term Insurance (Rs. millions)	139,647	165,519	190,642	216,275	249,850
General Insurance & Shareholders (Rs. millions)	82,450	100,192	131,202	148,410	163,834
Total	*219,102	*261,412	*315,817	*357,465	*406,827

*Intersegment transactions (long term and general) of composite insurance companies have been eliminated as per Table 3

(a) Reinstated audited figures

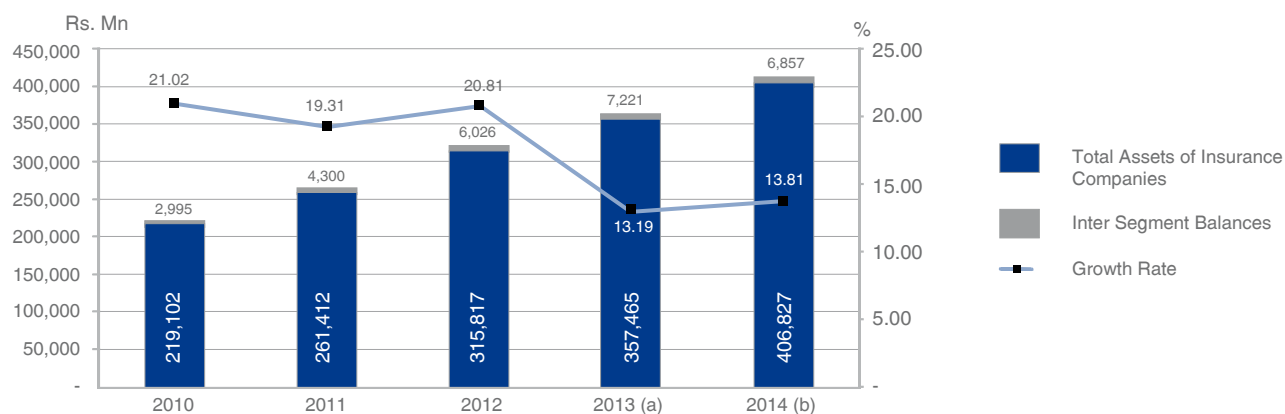
(b) Provisional figures

Notes:

Above analysis does not include information of NITF since required complete information was not submitted to the Board.

Chart 1

Total Assets and Assets Growth Rate of the Insurance Industry



(a) Reinstated audited figures

(b) Provisional figures

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Distribution of Assets of Insurance Companies

The distribution of assets among insurance companies under long term insurance and general insurance / shareholders segments as at 31st December 2014 and 31st December 2013 is illustrated in Table 3. Total assets of insurance companies as at 31st December 2014 amounted to Rs. 406,827 million (2013: Rs. 357,465 million) after eliminating an inter-segment asset balance of Rs. 6,857 million (2013: Rs. 7,221 million).

Similar to previous year, SLIC held the largest portion of the insurance industry's assets and accounted for 39.81% of total assets of insurance companies in 2014 (2013: 40.20%) with assets worth of Rs. 161,967 million (2013: Rs. 143,693 million). In 2014 SLIC held assets worth of Rs. 90,804 million under long term insurance business (2013: Rs. 79,519 million) while general insurance business and shareholders accounted for assets worth of Rs. 71,162 million (2013: Rs. 64,174 million). It was

notable that assets of both classes of insurance business of SLIC had recorded double digit growth in 2014.

Ceylinco held the second largest asset portion of the insurance industry as at 31st December 2014 by accounting for 22.63% of total assets (2013: 22.82%) followed by AIA which held 11.72% of assets (2013: 12.35%). Assets owned by Ceylinco amounted to Rs. 92,078 million as at 31st December 2014 (2013: Rs. 81,574 million) whilst AIA held assets worth of Rs. 47,666 million (2013: Rs. 44,158 million). UAL and Janashakthi accounted for 8.71% and 4.95% of total assets and claimed fourth and fifth places in terms of asset ownership in the insurance industry as at 31st December 2014. It is interesting to note that 87.82% of total assets of insurance companies were concentrated among five companies as at 31st December 2014 while the remaining 12.18% of assets were owned by the other fifteen companies.

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Table 3

Company-wise Analysis of Total Assets

Insurer	2013 (a)					2014 (b)				
	Long Term Insurance (Rs.'000)	General Insurance & Shareholders (Rs.'000)	Inter Segment Transactions Elimination (Rs.'000)	Total (Rs.'000)	%	Long Term Insurance (Rs.'000)	General Insurance & Shareholders (Rs.'000)	Inter Segment Transactions Elimination (Rs.'000)	Total (Rs.'000)	%
AIA	35,442,431	8,742,090	26,385	44,158,136	12.35	38,436,443	9,229,720	-	47,666,163	11.72
AIIG	-	1,226,001	-	1,226,001	0.34	-	459,716	-	459,716	0.11
Allianz Gen.	-	2,727,215	-	2,727,215	0.76	-	3,131,772	-	3,131,772	0.77
Allianz Life	1,077,009	-	-	1,077,009	0.30	1,459,083	-	-	1,459,083	0.36
Amana Takaful	1,006,855	1,686,462	44,253	2,649,064	0.74	1,399,828	1,693,869	105,638	2,988,059	0.73
Arpico	723,566	-	-	723,566	0.20	962,865	-	-	962,865	0.24
Asian Alliance	4,418,928	2,921,100	-	7,340,028	2.05	6,735,510	3,476,151	-	10,211,661	2.51
Ceylinco	57,204,038	30,853,084	6,483,228	81,573,894	22.82	65,374,901	32,689,041	5,986,239	92,077,703	22.63
Continental	-	1,415,146	-	1,415,146	0.40	-	2,028,177	-	2,028,177	0.50
Cooperative	838,598	2,165,406	10,720	2,993,284	0.84	976,777	2,720,604	10,869	3,686,512	0.91
HNBA	4,598,540	3,436,137	-	8,034,677	2.25	5,930,808	3,977,661	-	9,908,469	2.44
Janashakthi	7,553,509	10,692,654	-	18,246,163	5.10	8,159,309	11,995,381	-	20,154,690	4.95
LIC	1,668,517	-	-	1,668,517	0.47	1,903,185	-	-	1,903,185	0.47
LOLC	291,199	2,044,502	6,398	2,329,304	0.65	1,042,182	2,671,810	20,755	3,693,237	0.91
MBSL	257,450	1,322,384	-	1,579,834	0.44	395,336	1,355,127	-	1,750,463	0.43
Orient	-	925,027	-	925,027	0.26	-	1,019,481	-	1,019,481	0.25
People's	-	3,853,669	-	3,853,669	1.08	-	4,598,563	-	4,598,563	1.13
Sanasa	572,540	617,857	-	1,190,397	0.33	738,763	986,026	-	1,724,789	0.42
SLIC	79,518,628	64,174,216	-	143,692,844	40.20	90,804,450	71,162,367	-	161,966,817	39.81
UAL	21,103,511	9,607,354	649,778	30,061,087	8.41	25,530,258	10,638,421	733,048	35,435,631	8.71
Total	216,275,318	148,410,305	7,220,762	357,464,861	100	249,849,697	163,833,886	6,856,549	406,827,033	100

(a) Reinstated audited figures

(b) Provisional figures

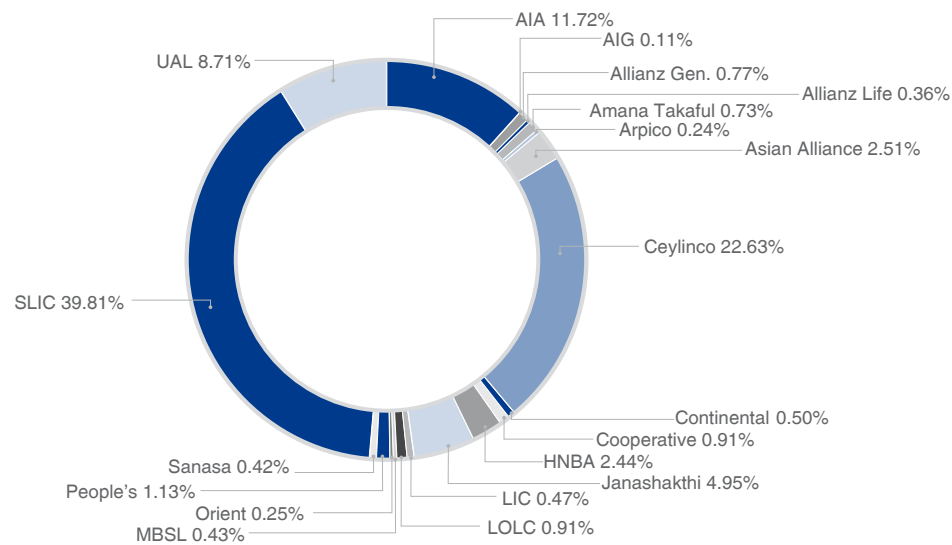
Notes:

1. Above analysis does not include information of NITF since required complete information was not submitted to the Board.
2. Intersegment balances include amounts receivable from each other segment, i.e. long term and general insurance segments of composite insurance companies.
3. Assets belonging to shareholders of Allianz Life, Arpico and LIC have been reported under long term insurance business.

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Chart 2

Company-wise Analysis of Concentration of Assets as at 31st December 2014



Shareholders' Funds of Insurance Companies

Total shareholders' funds of insurance companies had increased to Rs.112,000 million as at 31st December 2014 from Rs. 94,950 million recorded as at 31st December 2013. This has been a significant growth of 17.96% compared to 2013.

As illustrated in Table 4, total shareholders' funds comprised of stated capital amounted to Rs. 22,547 million and reserves worth of Rs. 89,453 million as at 31st December 2014. Similar to 2013, SLIC had accounted for more than half of the entire shareholders' funds as at 31st December

2014 by accounting for 56.19% of the total insurance industry's shareholders' funds. Ceylinco and UAL accounted for 15.83% and 5.54% of total shareholders' funds respectively and claimed the second and the third positions in 2014. Fourth and fifth largest shareholders' fund values were recorded by Janashakthi and AIA in 2014 and owned 4.65% and 4.32% of total insurance industry's shareholders' funds respectively. It is noteworthy that insurance companies who held the five largest portions of shareholders' funds accounted for 86.53% of the total shareholders' funds belonged to all insurance companies in 2014 (2013: 87.18%).

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Table 4

Total Shareholders' Funds of Insurance Companies

Insurer	2013 (a)		2014 (b)			
	Total Shareholders' Funds (Rs.'000)	%	Stated Capital (Rs.'000)	Total Reserves (Rs.'000)	Total Shareholders' Funds (Rs.'000)	%
AIA	4,538,450	4.78	300,000	4,535,259	4,835,259	4.32
AIG	277,458	0.29	659,265	(410,086)	249,179	0.22
Allianz Gen.	875,510	0.92	500,000	402,085	902,085	0.81
Allianz Life	261,958	0.27	592,624	(365,889)	226,734	0.20
Amana Takaful	983,286	1.03	1,250,001	(250,064)	999,937	0.89
Arpico	496,908	0.52	675,565	(63,389)	612,176	0.55
Asian Alliance	1,831,693	1.93	1,062,500	1,495,992	2,558,492	2.28
Ceylinco	15,922,159	16.77	1,324,822	16,408,998	17,733,820	15.83
Continental	567,276	0.60	750,000	132,713	882,713	0.79
Cooperative	899,249	0.95	1,003,066	364,018	1,367,084	1.22
HNBA	2,113,612	2.23	1,171,875	1,234,482	2,406,356	2.15
Janashakthi	4,028,491	4.24	1,496,000	3,710,641	5,206,641	4.65
LIC	632,071	0.67	500,000	214,417	714,417	0.64
LOLC	708,452	0.75	1,100,000	(85,706)	1,014,294	0.91
MBSL	339,399	0.36	1,080,022	(617,244)	462,778	0.41
Orient	680,330	0.72	750,000	(122,051)	627,949	0.56
People's	1,084,881	1.14	600,000	809,322	1,409,322	1.26
Sanasa	416,711	0.44	592,635	54,357	646,992	0.58
SLIC	53,175,185	56.00	6,000,000	56,933,533	62,933,533	56.19
UAL	5,117,292	5.39	1,138,432	5,071,785	6,210,217	5.54
Total	94,950,371	100	22,546,806	89,453,172	111,999,978	100

(a) Reinstated audited figures

(b) Provisional figures

Note:

Above analysis does not include information of NITF since required complete information was not submitted to the Board.

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Distribution of Total Assets of Major Financial Sectors

Total assets of major financial sectors of the economy increased to Rs. 12,041.2 billion as at 31st December 2014 from Rs. 10,320.2 billion recorded as at 31st December 2013 by 16.68%. As depicted in Table 5, banking sector accounted for 70.0% of the total assets with assets worth of Rs. 8,436.4 billion as at 31st December 2014 reflecting its dominance in the financial sector. Contractual savings institutions accounted for

15.5% of total assets of the financial sector in 2014 by recording assets worth of Rs. 1,866.1 billion (2013: Rs. 1,640.8 billion). Other deposit taking financial institutions and specialized financial institutions owned assets worth Rs. 892 billion and Rs. 439.9 billion respectively as at 31st December 2014 and accounted for 7.4% and 3.7% assets of the financial sector respectively. Insurance companies had assets worth of Rs. 406.8 billion as at 31st December 2014 (2013: Rs. 357.5 billion) and accounted for 3.4% of the assets of the financial sector.

Table 5

Distribution of Total Assets of Major Financial Sectors

Financial Sector	Distribution of Assets									
	2010		2011		2012		2013		2014	
	Rs. billions	%	Rs. billions	%	Rs. billions	%	Rs. billions	%	Rs. billions	%
Banking Sector	4,527.3	68.9	5,375.6	69.7	6,377.0	70.3	7,187.5	69.6	8,436.4	70.0
Other Deposit Taking Financial Institutions	295.0	4.5	427.1	5.5	621.2	6.9	756.4	7.3	892	7.4
Specialized Financial Institutions	354.3	5.4	338.8	4.4	310.4	3.4	378	3.7	439.9	3.7
Contractual Savings Institutions	1,178.7	17.9	1,305.4	16.9	1,445.6	15.9	1,640.8	15.9	1,866.1	15.5
Insurance Companies	219.10	3.3	261.4	3.4	315.8	3.5	357.5(a)	3.5	406.8 (b)	3.4
Total	6,574.4	100	7,708.3	100	9,070.0	100	10,320.2	100	12,041.2	100.0

Source: Central Bank of Sri Lanka Annual Report - 2014 (Assets of insurance companies were reinstated based on data received from insurance companies).

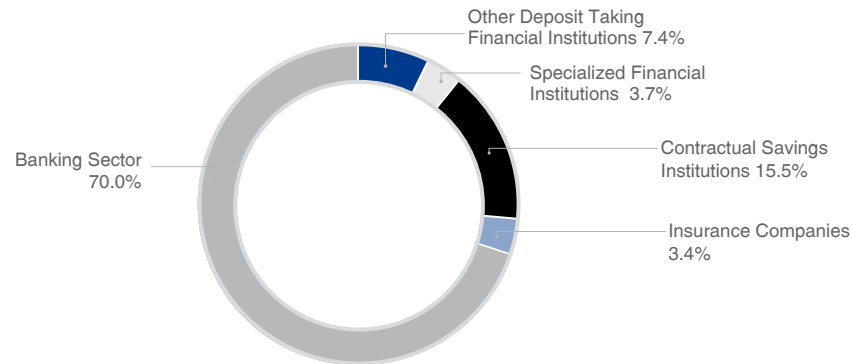
(a) Reinstated audited figures

(b) Provisional figures

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Chart 3

Distribution of Total Assets of Major Financial Sectors as at 31st December 2014



Analysis of Branches, Employees and Agents of Insurance Companies

Insurers adopt various distribution channels to reach customers with numerous insurance needs across the country. Direct marketing, branch network, brokering companies and agency distribution play a key role in the traditional marketing structure of insurers while innovative distribution channels such as online marketing and services offered to customers through telecommunication providers also play a significant part in expanding their business.

As reflected in Table 6 insurance companies operated 1,462 branches in the country as at 31st December 2014, an increase of 6.02% compared to 1,379 branches operated in 2013. There were 487 branches situated in the Western province as at 31st December 2014 compared to 489 branches as at 31st December 2013. Almost one third of the total number of branches of the country was situated in the Western province reflecting the high level of concentration of insurance business in the Western province. Southern and Central provinces had the second and third largest branch network with 191 and 159 branches respectively while Uva province had the least number of branches which amounted to 76.

Insurance companies collectively employed 16,134 employees as at 31st December 2014 (2013: 13,764) with 10,780 employees located

in the Western province representing 66.82% of total employees of all insurance companies (2013: 62.58%). Southern and Central provinces stationed the second and third highest number of employees with 1,137 and 941 employees respectively as at 31st December 2014. Lowest number of employees was located in the Northern province which amounted to 400 and represented only 2.48% of total employees of insurance companies.

Total number of agents attached to all insurance companies amounted to 42,958 as at 31st December 2014 indicating an increase of 11.19% compared to 38,635 agents employed as at 31st December 2013. Largest number of agents was located in the Western province which amounted to 16,578 agents as at 31st December 2014 (2013: 14,618) and represented 38.59% of the total agents of insurance companies. Least number of agents was located in the Uva province which amounted to 2,197 agents as at 31st December 2014 reflecting a slight decline of 4.23% compared to 2,294 agents reported as at 31st December 2013. The notable fact illustrated by Table 6 is the high level of concentration of branches, employees and agents in the Western province when compared to other provinces of the island.

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Chart 4 illustrates the distribution of number of branches, employees and agents across the nine provinces of the country as at 31st December 2014.

Table 6

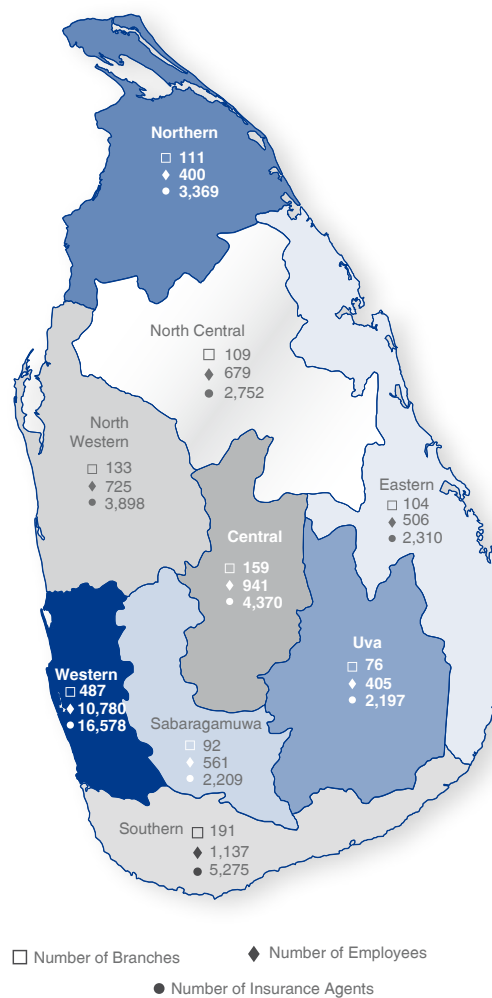
Number of Branches, Employees and Agents as at 31st December, 2014 and 2013

Province	No of Branches		No. of Employees		No. of Agents	
	2013	2014	2013	2014	2013	2014
Central Province	126	159	1,031	941	3,820	4,370
Eastern Province	86	104	404	506	1,773	2,310
North Central Province	97	109	603	679	2,324	2,752
North Western Province	126	133	749	725	3,613	3,898
Nothern Province	108	111	421	400	2,945	3,369
Sabaragamuwa Province	104	92	535	561	2,611	2,209
Southern Province	176	191	1,046	1,137	4,637	5,275
Uva Province	67	76	362	405	2,294	2,197
Western Province	489	487	8,613	10,780	14,618	16,578
Total	1,379	1,462	13,764	16,134	38,635	42,958

Note: Above analysis does not include information of NITF since required complete information was not submitted to the Board.

Chart 4

Number of Branches, Employees and Agents as at 31st December 2014



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Distribution Channels of Insurance Companies

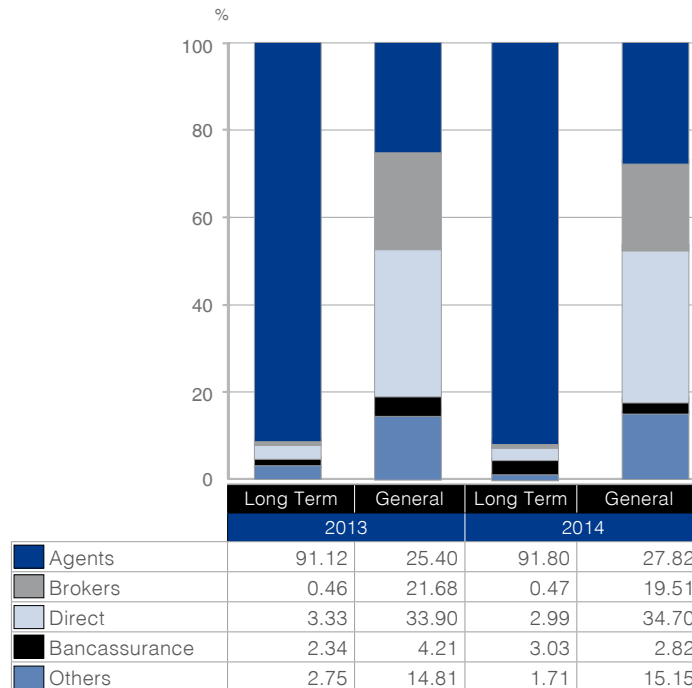
Similar to previous years, agents continued to be the key distribution channel used to reach customers of long term insurance business in 2014. Agents accounted for 91.80% of the total GWP of long term insurance business generated in 2014 almost similar to their contribution of 91.12% in 2013. As depicted in Chart 5, distribution channels such as bancassurance, direct marketing, other channels and brokers did not generate substantial GWP amounts of long term insurance business and accounted for only 3.03%, 2.99%, 1.71% and 0.47% respectively in 2014.

Distribution channels such as direct marketing, agents, brokers, and

other distribution channels play important roles in reaching the general insurance customers as opposed to long term insurance business where agents play the dominant role. As depicted in Chart 5, direct marketing had generated 34.70% of GWP of general insurance business followed by agents, brokers, other distribution channels and bancassurance which represented 27.82%, 19.51%, 15.15% and 2.82% respectively in 2014. It is noteworthy that GWP generated through direct marketing, agents and other distribution channels have increased in 2014 compared to 2013 although premiums generated through brokers and bancassurance have decreased.

Chart 5

Distribution Channels of Insurance Companies



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Long Term Insurance Business

Gross Written Premium

In 2014, long term insurance business had generated GWP worth of Rs. 44,610 million (2013: Rs. 41,676 million) as reflected in Table 7. The long term insurance market has recorded slow growth of 7.04% in 2014 compared to 11.20% growth recorded in 2013.

Ceylinco has continued to maintain its dominance in the long term insurance market by generating GWP of Rs. 12,003 million in 2014 (2013: Rs. 11,123 million) and accounted for 26.91% of the total GWP. SLIC and AIA claimed the second and third positions in the market in 2014 similar to the previous year by recording GWP worth of Rs. 8,121 million (2013: Rs. 8,398 million) and Rs. 7,267 million (2013: Rs. 6,863 million) with market shares of 18.20% and 16.29% respectively. SLIC's

market share has dropped by 1.95% in 2014 compared to 20.15% recorded in 2013. UAL and Asian Alliance had earned GWP worth of Rs. 5,945 million (2013: Rs. 5,515 million) and Rs. 3,048 million (2013: Rs. 2,520 million) respectively to become the fourth and fifth largest GWP generators in the long term insurance sector similar to the previous year by achieving market shares of 13.33% and 6.83%. The top five GWP contributors have collectively accounted for 81.56% (2013: 82.59%) of the total long term insurance GWP in 2014. There was a noticeable growth in GWP of new player LOLC (115.58%) in 2014 when compared to 2013. Chart 6 analyses the company-wise market share of GWP pertaining to long term insurance business.

Table 7

Company-wise Gross Written Premium and Market Share - Long Term Insurance Business

Insurer	2010		2011		2012		2013(a)		2014(b)	
	Premium (Rs.'000)	Market Share (%)	Premium (Rs.'000)	Market Share (%)	Premium (Rs.'000)	Market Share (%)	Premium (Rs.'000)	Market Share (%)	Premium (Rs.'000)	Market Share (%)
AIA	7,783,925	24.99	7,846,447	22.32	6,495,863	17.33	6,863,047	16.47	7,266,574	16.29
Allianz Life	204,814	0.66	351,299	1.00	532,142	1.42	828,790	1.99	838,326	1.88
Amana Takaful	240,156	0.77	303,786	0.86	364,759	0.97	542,986	1.30	679,029	1.52
Apico	-	-	-	-	101,900	0.27	206,494	0.50	299,040	0.67
Asian Alliance	1,242,608	3.99	1,579,191	4.49	2,034,084	5.43	2,520,283	6.05	3,048,148	6.83
Ceylinco	8,786,120	28.21	9,815,943	27.91	10,829,470	28.91	11,122,906	26.69	12,002,524	26.91
Cooperative	233,540	0.75	269,579	0.77	312,056	0.83	337,623	0.81	402,046	0.90
HNBA	1,084,480	3.48	1,290,367	3.67	1,500,028	4.00	2,014,547	4.83	2,342,867	5.25
Janashakthi	1,685,409	5.42	1,871,986	5.32	2,025,075	5.40	2,193,662	5.26	2,170,419	4.87
LIC	252,656	0.81	295,859	0.84	303,344	0.81	322,268	0.77	349,311	0.78
LOLC	-	-	51,427	0.15	106,238	0.28	274,798	0.67	592,422	1.33
MBSL	89,984	0.28	143,156	0.41	192,780	0.51	251,720	0.60	294,299	0.66
Sanasa	73,030	0.23	128,113	0.36	203,616	0.54	283,975	0.68	258,771	0.58
SLIC	6,009,859	19.29	6,743,073	19.18	7,369,031	19.67	8,397,718	20.15	8,121,140	18.20
UAL	3,465,505	11.12	4,471,627	12.72	5,106,323	13.63	5,515,063	13.23	5,945,499	13.33
Total	31,152,086	100	35,161,853	100	37,476,709	100	41,675,880	100	44,610,416	100
Growth Rate (%)	29.77		12.87		6.58		11.20		7.04	

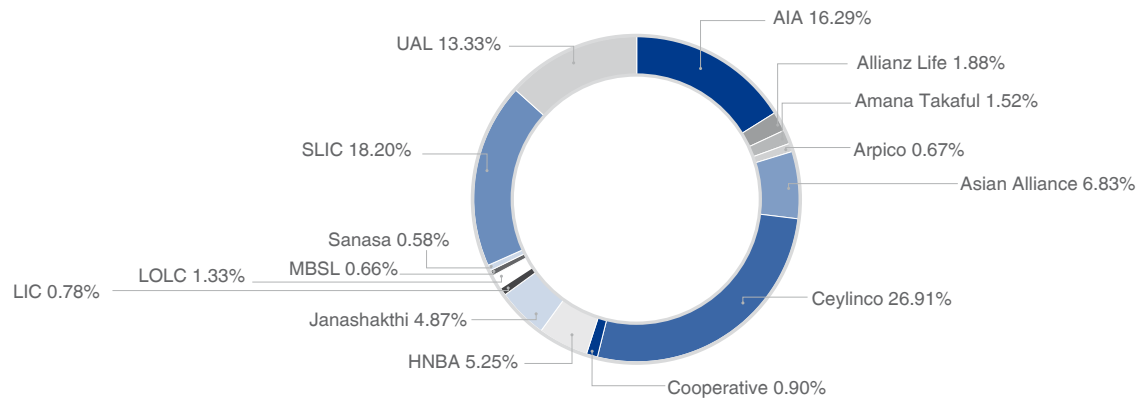
(a) Reinstated audited figures

(b) Provisional figures

Statistical Review Contd...

Chart 6

Company-wise Market Share of Gross Written Premium - Long Term Insurance Business for the year ended 31st December 2014



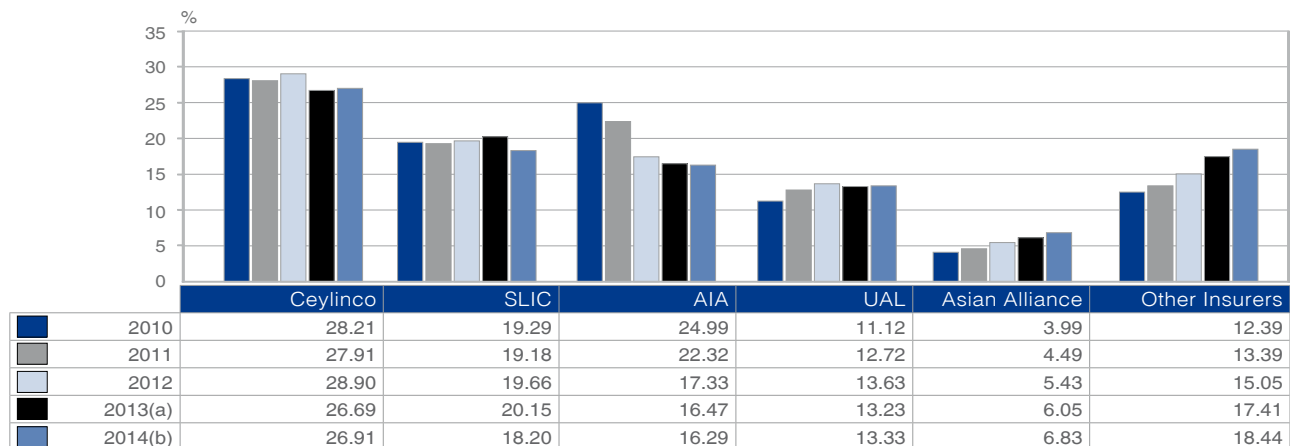
Market Share of top five Contributors and Other Insurers – Long Term Insurance Business

As depicted in table 7 Ceylinco, SLIC, AIA, UAL and Asian Alliance were able to secure top five positions in the market. However, high level

of competition among the fifteen players has reduced the accumulated market share of GWP of top five companies further from 82.59% in 2013 to 81.56% in 2014. The analysis of the market share of these five companies and others are reflected in chart 7.

Chart 7

Market Share of top five Contributors and other Insurers for the Years 2010 to 2014 - Long Term Insurance Business



(a) Reinstated audited figures

(b) Provisional figures

Statistical Review Contd...

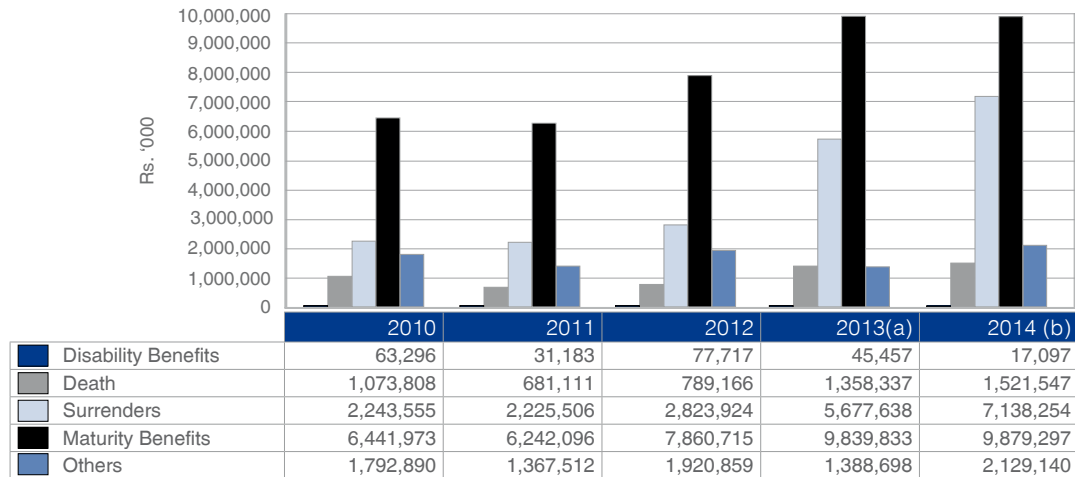
Claims Incurred by Insurance Companies - Long Term Insurance Business

Chart 8 depicts claims incurred by the insurers engaged in long term insurance business during last five years. Total long term insurance claims incurred by the companies for year 2014 amounted to Rs. 20,685 million (2013: Rs. 18,310 million) which represented an increase of 12.97% compared to 2013. Maturity benefits amounted to Rs. 9,879 million (2013: Rs. 9,840 million) which represented 47.76% of the total claims.

There was a noticeable increase in surrenders including unit linked products during 2014, which resulted in surrender claims of Rs. 7,138 million compared to Rs. 5,678 million recorded in 2013. This represented 34.51% of the total claims incurred in 2014. Death claims amounted to Rs. 1,522 million (2013: Rs. 1,358 million) while other claims including advance payments, cash bonuses, and prematurity payments etc. amounted to Rs. 2,129 million (2013: Rs. 1,389 million).

Chart 8

Claims Incurred by Insurance Companies - Long Term Insurance Business



(a) Reinstated audited figures

(b) Provisional figures

Statistical Review Contd...

Number of Insurance Claims –Long Term Insurance Business

In 2014, there were 252,065 claims incurred by the long term insurance companies. The matured claims accounted for 42.59% of total claims. Further other claims and surrender claims represented 33.66% and

18.23% of total number of long term insurance claims respectively. Table 8 depicts the category wise break up of number of long term insurance claims incurred for the years 2010 to 2014.

Table 8

Number of Insurance Claims –Long Term Insurance Business

	2010	2011	2012	2013(a)	2014(b)
Maturity Benefits	87,742	98,363	102,465	102,050	107,353
Death	5,063	4,328	4,358	5,284	5,795
Disability Benefits	628	569	578	6,980	8,120
Surrenders	25,771	25,661	24,631	41,964	45,962
Other benefits	42,939	45,885	51,773	99,257	84,835
Total	162,143	174,806	183,805	255,535	252,065

(a) Reinstated audited figures

(b) Provisional figures

Statistical Review Contd...

Assets of Long Term Insurance Business

Concentration of assets of long term insurance business among different asset categories as at 31st December 2014 is reflected in Table 9 and Chart 9.

Rs. 111,600 million (2013: Rs. 93,539 million) has been invested in government securities out of the total assets worth of Rs. 249,850 million (2013: Rs. 216,275 million). This accounted for 44.67% (2013: 43.25%) of the total assets of long term insurance business. Throughout the year, the Board ensured that insurers comply with the minimum statutory investment of 30% of long term insurance fund in government securities as required under the Act. Furthermore insurance companies are required to invest balance assets of long term insurance fund in accordance with Determination No. 1 of 2011 and the Board ensured compliance with same during the year under review.

In the year 2014, a trend towards investments in corporate debt

instruments continued. There was an increase in corporate debt investments up to Rs. 40,478 million (2013: Rs. 32,944 million) in 2014 compared to the previous year. This represented 16.20% (2013: 15.23%) of the total assets and became the second largest investments instrument of long term insurance business pushing the deposits to third position.

Investments in deposits amounted to Rs. 38,032 million (2013: Rs. 40,806 million) and accounted for 15.22% (2013: 18.87%) of total assets. Equity investments amounted to Rs. 31,729 million (2013: Rs. 24,606 million) and accounted for 12.70% (2013: 11.38%) of total assets.

Main investments categories namely government securities, corporate debt and deposits collectively accounted for 76.09% (2013: 77.35%) of the total assets of long term insurance business and the balance assets were held in equities, land and building, unit trusts, etc.

Table 9

Concentration of Assets as at 31st December 2013 and 2014- Long Term Insurance Business

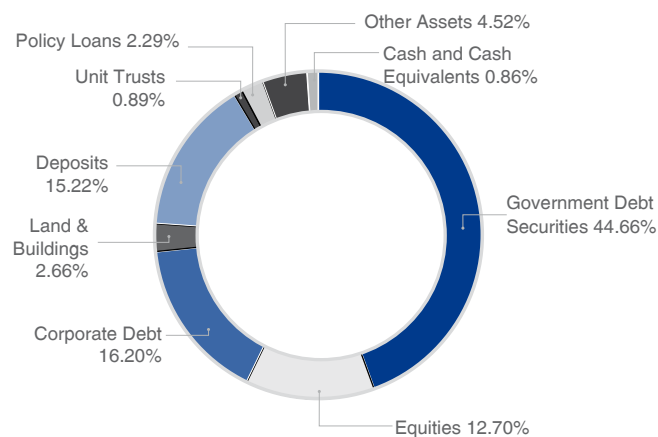
Type of Asset	2013(a)		2014(b)	
	Rs.'000	%	Rs.'000	%
Government Debt Securities	93,539,259	43.25	111,600,355	44.66
Equities	24,606,466	11.38	31,729,171	12.70
Corporate Debt	32,943,830	15.23	40,478,128	16.20
Land & Buildings	6,130,156	2.83	6,638,896	2.66
Deposits	40,806,373	18.87	38,032,430	15.22
Unit Trusts	2,302,039	1.06	2,220,486	0.89
Investments in Gold	29,295	0.01	-	-
Policy Loans	5,235,167	2.42	5,711,407	2.29
Other Assets	9,202,854	4.26	11,288,496	4.52
Cash and Cash Equivalents	1,479,876	0.68	2,150,326	0.86
Total	216,275,317	100	249,849,697	100

(a) Reinstated audited figures

(b) Provisional figures

Chart 9

Concentration of Assets as at 31st December 2014 - Long Term Insurance Business



Statistical Review Contd...

Investment Income of Long Term Insurance Business

As depicted in Table 10, total investment income generated from investments of long term insurance business amounted to Rs. 26,081 million in 2014 (2013: Rs. 21,492 million). Average investments of long term insurance business in 2014 amounted to Rs. 221,918 million (2013: Rs. 194,653 million).

In 2014, average amount of investment in government debt securities which represented the largest portion of average investments amounted to Rs. 102,570 million (2013: Rs. 95,843 million) and generated an investment yield of 11.17% (2013: 12.47%) which represented a decline in investment yield compared to 2013. Investment income generated from equities aggregated to Rs. 3,970 million (2013: Rs. 888 million) in 2014 and reflected an investment yield of 14.10%. (2013: 3.48%) This includes capital gains of Rs. 3,041 million (2013: capital losses

of Rs. 129 million) and dividend income of Rs. 930 million (2013: Rs. 1,017 million). Investment income of corporate debts amounted to Rs. 4,601 million in 2014 (2013: Rs. 2,544 million) with an investment yield of 12.53% which had increased compared to the yield of 11.01% recorded in 2013.

Deposits generated an investment income of Rs. 4,673 million (2013: Rs. 5,826 million) including interest income of Rs. 4,448 million from bank deposits (2013: Rs. 5,666 million) and Rs.224 million from finance companies (2013: Rs. 160 million). Interest income from average investment in deposits generated an investment yield of 11.85% to insurance companies in 2014 compared to 16.05% earned in 2013 which reflects reduction of interest rates during 2014. Unit trusts and policy loans generated relatively high and moderate investment returns in 2014 with investment yield ratios of 23.74% (2013: 5.29%) and 8.14% (2013: 2.20%) respectively.

Table 10

Breakup of Investment Income and Average Investments - Long Term Insurance Business

Category	2013(a)			2014(b)		
	Investment Income (Rs. '000)	Average Investments (Rs. '000)	Investment Yield Ratio (%)	Investment Income (Rs. '000)	Average Investments (Rs. '000)	Investment Yield Ratio (%)
Government Debt Securities	11,950,852	95,843,035	12.47	11,453,476	102,569,807	11.17
- Treasury Bonds	9,606,186			10,256,814		
- Treasury Bills	299,139			491,187		
- Others (REPO)	2,045,527			705,475		
Equity	888,200	25,505,675	3.48	3,970,443	28,167,819	14.10
- Capital Gain/Losses	(128,524)			3,040,570		
- Dividend	1,016,724			929,873		
Corporate Debts	2,544,302	23,114,748	11.01	4,601,233	36,710,979	12.53
- Debentures	2,490,639			4,587,022		
- Commercial Papers	66,801			20,783		
- Asset Backed Securities	11,324			6,206		
- Other Similar Financial Instruments	(24,462)			(12,779)		
Land and Buildings	65,636	6,040,803	1.09	78,067	6,384,526	1.22
Deposits	5,825,710	36,298,242	16.05	4,672,766	39,419,402	11.85
- Bank	5,666,128			4,448,475		
- Finance Companies	159,581			224,292		
Unit Trust	103,025	1,945,956	5.29	536,872	2,261,263	23.74
Gold	(10,968)	30,564	(35.89)	(56)	14,648	(0.38)
Policy Loans	108,932	4,957,036	2.20	445,761	5,473,287	8.14
Others	16,632	917,152	1.81	322,865	916,111	35.24
Total	21,492,321	194,653,211	11.04	26,081,427	221,917,841	11.75

(a) Reinstated audited figures

(b) Provisional figures

Note: The investment income and average investments belonging to shareholders of Allianz Life, Arpico and LIC have been reported under long term insurance business.

Statistical Review Contd...

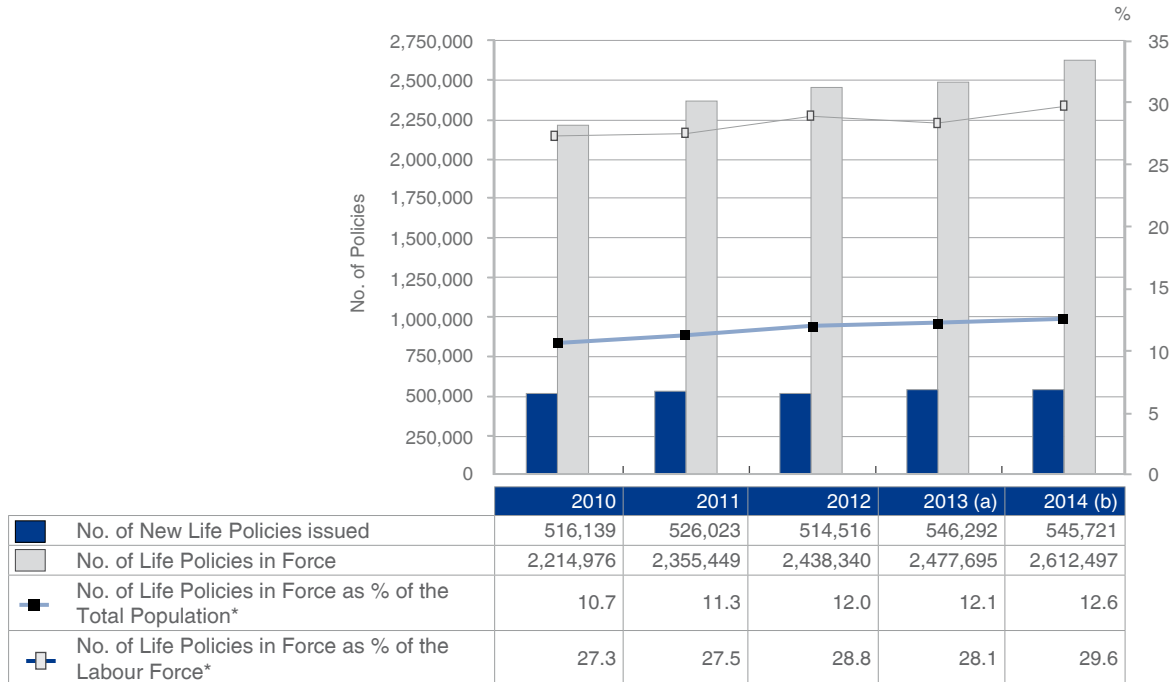
Number of Insurance Policies Issued and Policies in Force –Long Term Insurance Business

At the end of 2014, total number of effective long term insurance policies was 2,612,497. Long term insurance policies in force have increased by 5.44% compared to 2,477,695 policies in force at the end of 2013. As indicated in chart 10 insurance companies have issued 545,721 new

long term insurance policies in 2014. Similar to previous year, number of effective policies in force as a percentage of total population was 12.6%. Further long term insurance policies in force as a percentage of labour force have increased slightly by 1.5% compared to 28.1% recorded in 2013.

Chart 10

Number of Insurance Policies Issued and Policies in Force - Long Term Insurance Business



* Source: Mid year labour force and population - Department of Census and Statistics

(a) Reinstated audited figures.

(b) Provisional figures.

Statistical Review Contd...

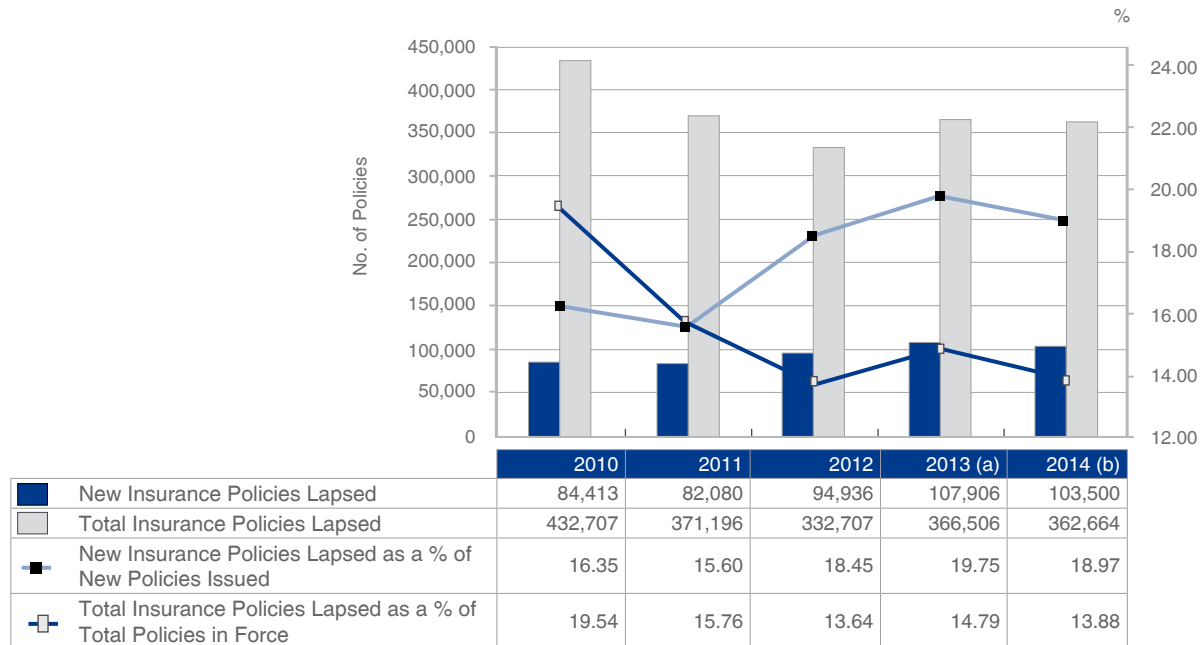
Insurance Policy Lapses - Long Term Insurance Business

As depicted by Chart 11, total insurance policies lapsed in 2014 has decreased to 362,664 policies from 366,506 policies recorded in 2013 which represents a marginal drop of 1.05%. Therefore total insurance policy lapses as a percentage of total insurance policies in force had declined to 13.88% in 2014 compared to 14.79% recorded in 2013.

New long term insurance policies lapsed during 2014 amounted to 103,500 reduced by 4.08% compared to 107,906 lapsed policies reported in 2013. Therefore new insurance policy lapses as a percentage of new policies issued had declined to 18.97% in 2014 compared to 19.75% recorded in 2013.

Chart 11

Number of Policies Lapsed and Lapse Ratio from 2010 to 2014- Long Term Insurance Business



(a) Reinstated as per the Actuarial Returns submitted to the Board

(b) Provisional figures.

Statistical Review Contd...

Solvency Position of Insurance Companies – Long Term Insurance Business

The insurance companies are required to comply with solvency margin requirement which need to compute in accordance with rules and regulations issued by the Board. Table 11 depicts individual companies' solvency ratio and value of policy liabilities as at 31st December 2013 and 2014. One company could not meet the required solvency ratio

of 1 as at 31st December 2014 and the Board has taken necessary actions regarding same. Total policy liabilities amounting to Rs. 147,938 million in 2014 when compared with Rs. 132,493 million recorded in the previous year.

Table 11

Company-wise Analysis of Solvency Position and Policy Liabilities as at 31st December 2013 & 2014 - Long Term Insurance Business

Insurer	At 31st December 2013(a)		As at 31st December 2014 (b)			
	Solvency Ratio (ASM/RSM)	Value of Policy Liabilities (Rs. '000)	Available Solvency Margin (ASM) (Rs. '000)	Required Solvency Margin (RSM) (Policy Liabilities*0.05) (Rs. '000)	Solvency Ratio (ASM/RSM)	Value of Policy Liabilities (Rs. '000)
AIA	2.89	23,644,788	5,426,460	1,256,003	4.32	25,120,062
Allianz Life	5.40	663,689	112,640	49,037	2.30	980,741
Amana Takaful	2.02	538,568	30,463	27,781	1.10	555,610
Arpico	10.62	149,313	485,842	14,177	34.27	283,540
Asian Alliance	2.48	3,697,969	771,570	245,669	3.14	4,913,375
Ceylinco	12.85	32,593,476	26,234,688	1,836,480	14.29	36,729,597
Cooperative	3.23	676,575	41,913	39,912	1.05	798,243
HNBA	2.04	4,033,316	576,093	252,009	2.29	5,040,184
Janashakthi	6.77	5,285,357	865,829	341,124	2.54	6,822,472
LIC	10.62	919,426	708,104	56,556	12.52	1,131,121
LOLC	(11.18)	251,522	196,151	34,147	5.74	682,942
MBSL	(0.40)	218,559	(36,451)	18,381	(1.98)	367,615
Sanasa	1.03	537,990	220,261	34,138	6.45	682,753
SLIC	11.48	43,227,530	31,529,776	2,268,016	13.90	45,360,319
UAL	3.99	16,054,685	4,375,064	923,478	4.74	18,469,562
Total/Overall	8.43	132,492,764	71,538,404	7,396,907	9.67	147,938,137

(a) Reinstated audited figures

(b) Provisional figures

Statistical Review Contd...

General Insurance Business

Gross Written Premium

The total GWP generated by insurance companies engaged in general insurance business amounted to Rs. 55,262 million in 2014 compared to Rs. 53,311 million in 2013, up by 3.66 % as depicted in Table 12. This lower growth rate was mainly due to slow growth experienced in marine, miscellaneous and motor insurance businesses and the negative growth recorded in fire insurance business. Most classes of general insurance business remained price competitive with insurance companies competing for market share.

Insurance companies have confirmed that the SRCC & TC premium in respect of general insurance business has amounted to Rs. 3,491 million in 2014 (2013: Rs. 2,957 million) and therefore GWP of general insurance business inclusive of SRCC & TC premium amounted to Rs. 58,753 million in 2014 (2013: Rs. 56,267 million).

Similar to previous years SLIC achieved the largest market share of the general insurance market by accounting for 21.92% of the total GWP (2013: 23.54 %) which amounted to Rs. 12,114 million (2013: Rs. 12,550 million). However SLIC's market share has decreased marginally by 1.62% in 2014 when compared to 2013.

Ceylinco remained in the second position of the general insurance market in 2014 with a market share of 19.49% (2013: 19.34%) and generated GWP worth of Rs. 10,773 million (2013: Rs. 10,311 million) which reflected a marginal increase in GWP compared to 2013.

Janashakthi generated GWP worth of Rs. 6,492 million in 2014 (2013: Rs. 6,319 million) to achieve the third largest market share of 11.75% (2013: 11.85%). UAL and People's generated GWP worth of Rs. 4,951 million (2013: Rs. 5,117 million) and Rs. 3,286 million (2013: Rs. 3,085 million) respectively to claim the fourth and the fifth largest market shares of 8.96% (2013: 9.60%) and 5.95% (2013: 5.79%) respectively. UAL's GWP has decreased in 2014 compared to 2013 though People's GWP had increased in 2014 compared to 2013.

In 2014, the five insurance companies which claimed the top five positions in terms of market share in the general insurance business had collectively accounted for 68.07% of the total industry GWP (2013: 70.12%) which indicated a marginal decrease in the concentration of GWP among the said companies. It is noteworthy that most of the medium and small sized players of the general insurance market had been able to increase their market share in 2014 compared to 2013.

Chart 12 illustrates the company-wise market share of GWP of general insurance business achieved by insurance companies in 2014.

Statistical Review Contd...

Table 12

Company - wise Gross Written Premium and Market Share - General Insurance Business

Insurer	2010		2011		2012		2013 (a)		2014 (b)	
	Premium (Rs. '000)	Market Share (%)	Premium (Rs. '000)	Market Share (%)	Premium (Rs. '000)	Market Share (%)	Premium (Rs. '000)	Market Share (%)	Premium (Rs. '000)	Market Share (%)
AIA	2,490,843	7.10	2,456,347	5.67	2,143,252	4.31	2,428,675	4.55	2,655,577	4.81
AIG	890,387	2.54	942,901	2.18	819,448	1.65	880,060	1.65	523,857	0.95
Allianz Gen.	1,356,660	3.86	1,379,406	3.18	1,397,127	2.81	1,964,907	3.68	2,563,968	4.64
Amana Takaful	908,756	2.59	916,754	2.12	1,125,838	2.27	1,432,135	2.69	1,297,651	2.35
Asian Alliance	397,789	1.13	582,257	1.34	1,133,240	2.28	1,556,386	2.92	1,651,827	2.99
Ceylinco	8,724,292	24.85	9,558,942	22.06	10,434,917	21.00	10,311,479	19.34	10,772,849	19.49
Continental	359,105	1.02	1,149,121	2.65	1,545,225	3.11	1,330,515	2.50	1,765,202	3.19
Cooperative	644,814	1.84	922,859	2.13	1,135,011	2.28	1,272,941	2.39	1,346,018	2.43
HNBA	1,255,190	3.58	1,623,830	3.75	1,635,306	3.29	1,767,361	3.32	2,213,061	4.00
Janashakthi	4,324,170	12.32	5,086,207	11.74	5,773,429	11.62	6,318,626	11.85	6,491,556	11.75
LOLC	-	-	364,735	0.84	1,295,133	2.61	1,485,521	2.79	1,843,393	3.34
MBSL	467,606	1.33	636,738	1.47	1,049,147	2.11	1,132,789	2.12	913,125	1.65
Orient	-	-	1,749	-	308,547	0.62	355,001	0.66	491,127	0.89
People's	847,064	2.42	2,284,578	5.27	2,795,448	5.63	3,085,041	5.79	3,286,063	5.95
Sanasa	234,914	0.67	232,374	0.54	308,142	0.62	322,592	0.61	382,057	0.69
SLIC	8,766,027	24.97	11,134,583	25.70	12,359,188	24.87	12,549,763	23.54	12,113,568	21.92
UAL	3,433,830	9.78	4,055,443	9.36	4,436,052	8.93	5,116,966	9.60	4,950,741	8.96
Total	35,101,447	100	43,328,824	100	49,694,450	100	53,310,758	100	55,261,639	100
Growth Rate (%)	4.63		23.44		14.69		7.28		3.66	

(a) Reinstated audited figures

(b) Provisional figures

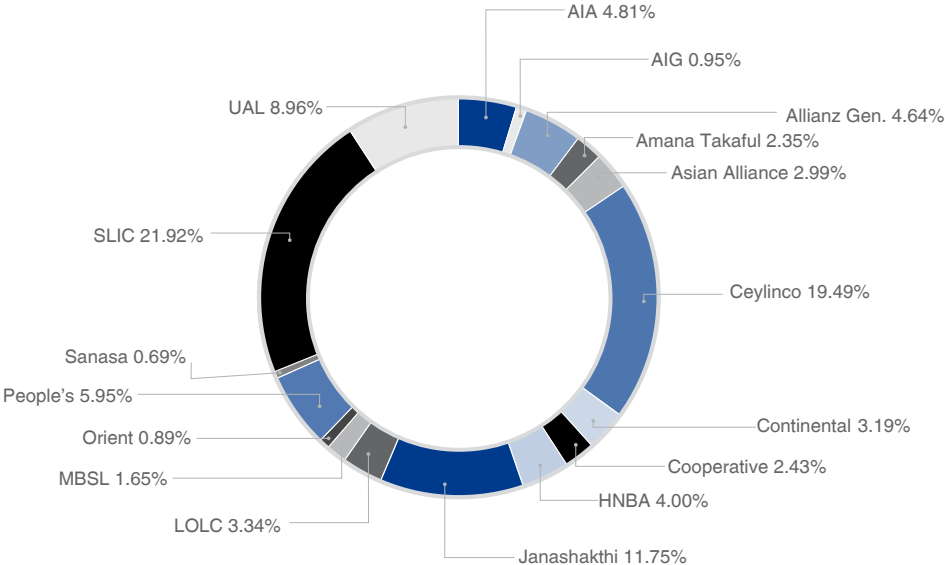
Notes:

1. Strike, Riot, Civil Commotion and Terrorism (SRCC & T) premium income of NITF was not considered for insurance companies' general insurance GWP for the years 2010 to 2014.
2. Above analysis does not include information of NITF since required complete information was not submitted to the Board.

Statistical Review Contd...

Chart 12

Company-wise Market Share of Gross Written Premium - General Insurance Business for the Year ended 31st December 2014



Statistical Review Contd...

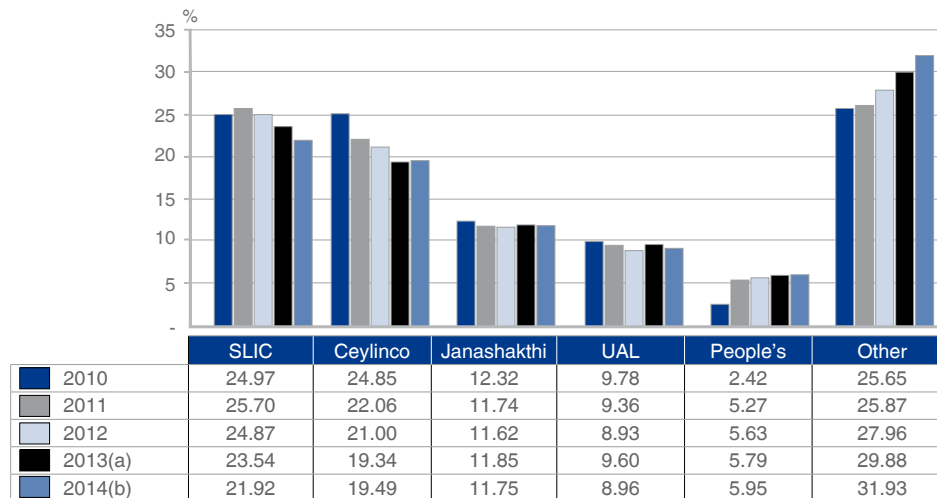
Market Share of Top Five Contributors to Gross Written Premium and Other Insurers - General Insurance Business

Chart 13 depicts the market share recorded by the top five contributors to GWP of general insurance business and GWP generated by the other insurance companies from 2010 to 2014. SLIC remained in the number one position in the general insurance market in 2014 similar to previous years. However SLIC's market share fell to 21.92% in 2014 from 23.54% recorded in 2013 and as depicted in Chart 13, SLIC's market share has gradually decreased from 2011. Ceylinco has secured the second position in the general insurance market in 2014 with a market share of 19.49%. Janashakthi had secured the third position in the market and

achieved a market share of 11.75% in 2014. However market share of Janashakthi had declined marginally in 2014 compared to 2013. UAL had remained in the fourth position in the general insurance market since 2010 and their market share amounted to 8.96% in 2014. People's accounted for a market share of 5.95% in 2014 and achieved the fifth position in the market. Further, People's market share has increased gradually during the past five years. It is notable that the market share of the other insurance companies had increased during the past five years indicating the increase in the GWP generated by companies other than the top five contributors to GWP.

Chart 13

Market Share of top five Contributors and Other Insurers for the Years 2010 to 2014 – General Insurance Business



(a) Reinstated audited figures

(b) Provisional figures

Statistical Review Contd...

Class-wise Analysis of Gross Written Premium - General Insurance Business

Table 13 and Chart 14 depict gross written premium generated from the main sub-classes of general insurance business along with their growth rates and percentage share from the total GWP of general insurance business for the period from 2010 to 2014. Fire, marine, motor and miscellaneous insurance constitute the main sub-classes of general insurance business.

As reflected in Table 13 motor insurance had dominated the general insurance market by generating GWP amounted to Rs. 34,945 million in 2014 (2013: Rs. 33,157 million) which represented 63.24% of total GWP of general insurance business. Motor insurance had grown by 5.39% in 2014 over 2013.

In 2014, miscellaneous insurance business accounted for 22.19% of the total GWP (2013: 22.61%) of general insurance business by posting GWP worth of Rs. 12,262 million (2013: Rs. 12,054 million) indicating a marginal growth of 1.73% compared to 2013. Similar to previous years miscellaneous insurance represented the second largest sub-class of general insurance business in 2014.

GWP of fire insurance business amounted to Rs. 6,242 million in 2014 (2013: Rs. 6,304 million) and accounted for 11.29% of the total GWP (2013: 11.82%). GWP generated from fire insurance has reduced in 2014 compared to 2013 and posted a negative growth of 0.97%. Marine insurance generated GWP amounted Rs. 1,812 million in 2014 (2013: Rs. 1,796 million) and accounted for 3.28% of the total GWP in 2014 (2013: 3.37%) growing by only 0.87% compared to 2013.

Table 13

Class-wise Analysis of Gross Written Premium - General Insurance Business

Class	Gross Written Premium (Rs.'000)				
	2010	2011	2012	2013 (a)	2014(b)
Fire	5,012,443	5,376,094	5,422,346	6,303,579	6,242,137
Marine	1,498,832	1,678,027	1,917,570	1,796,374	1,811,989
Motor	20,948,782	27,141,119	31,637,508	33,157,131	34,945,370
Miscellaneous	7,641,390	9,133,584	10,717,026	12,053,673	12,262,143
Total	35,101,447	43,328,824	49,694,450	53,310,758	55,261,639

Class	Growth (%)				
	2010	2011	2012	2013 (a)	2014(b)
Fire	(28.90)	7.25	0.86	16.25	(0.97)
Marine	3.89	11.96	14.28	(6.32)	0.87
Motor	17.05	29.56	16.57	4.80	5.39
Miscellaneous	6.75	19.53	17.34	12.47	1.73
Total	4.63	23.44	14.69	7.28	3.66

Class	Percentage Share (%)				
	2010	2011	2012	2013 (a)	2014(b)
Fire	14.28	12.41	10.91	11.82	11.29
Marine	4.27	3.87	3.86	3.37	3.28
Motor	59.68	62.64	63.66	62.20	63.24
Miscellaneous	21.77	21.08	21.57	22.61	22.19
Total	100	100	100	100	100

(a) Reinstated audited figures (b) Provisional figures

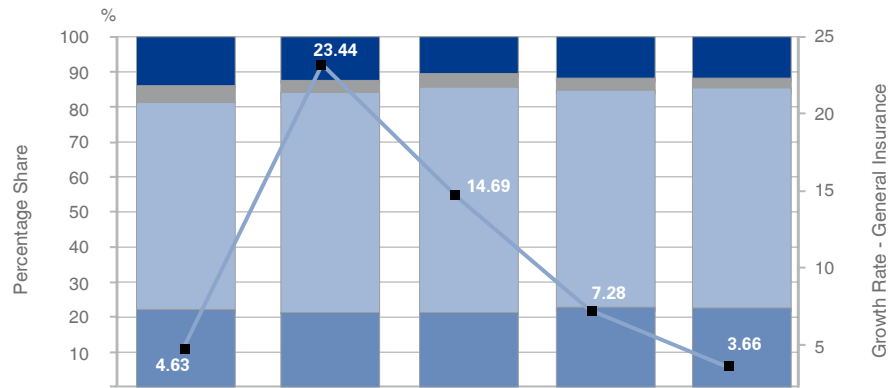
Notes:

- Strike, Riot, Civil Commotion and Terrorism (SRCC & T) premium income of NITF was not considered for insurance companies' general insurance GWP for the years 2010 to 2014.
- Above analysis does not include information of NITF since required complete information was not submitted to the Board.

Statistical Review Contd...

Chart 14

Class-wise Analysis of GWP from 2010 to 2014- General Insurance Business



	2010	2011	2012	2013 (a)	2014 (b)
■ Fire	14.28	12.41	10.91	11.82	11.29
■ Marine	4.27	3.87	3.86	3.37	3.28
■ Motor	59.68	62.64	63.66	62.20	63.24
■ Miscellaneous	21.77	21.08	21.57	22.61	22.19
■ Industry Growth (General Insurance)	4.63	23.44	14.69	7.28	3.66

(a) Reinstated audited figures

(b) Provisional figures

Notes:

1. Strike, Riot, Civil Commotion and Terrorism (SRCC & T) premium income of NITF was not considered for insurance companies' general insurance GWP for the years 2010 to 2014.
2. Above analysis does not include information of NITF since required complete information was not submitted to the Board.

Statistical Review Contd...

Category - wise Analysis of GWP of Miscellaneous Insurance Business

Table 14 depicts the GWP generated from different insurance segments categorized under miscellaneous insurance business during the years 2014 and 2013. Total GWP generated from miscellaneous insurance excluding SRCC & TC and coinsurance premium amounted to Rs. 12,262 million in 2014 (2013: Rs. 12,054 million). Health and surgical, personal accident, air craft hull, title, cash in transit, etc. were some of the main insurance segments categorized under miscellaneous insurance

products. Health and surgical was the segment which generated the highest GWP under miscellaneous insurance business which amounted to Rs. 6,397 million in 2014 (2013: Rs. 5,875 million) which represented 50.26% of total GWP inclusive of SRCC & TC and coinsurance premium. Health and surgical category has grown by 8.89% in 2014 compared to 2013 reflecting the growing demand for health and surgical insurance products. Other insurance categories of miscellaneous insurance business had increased to Rs. 2,072 million in 2014 by 19.63% compared to GWP worth of Rs. 1,732 million generated in 2013.

Table 14

Category - wise Analysis of GWP of Miscellaneous Insurance Premium for 2013 & 2014

Category	GWP Rs.'000	
	2013 (a)	2014 (b)
Health & Surgical	5,875,382	6,397,496
Title	293,292	390,491
Personal Accident	1,578,256	1,129,894
Contractors' All Risk	48,356	31,845
Professional Indemnity	265,077	238,610
Travel Insurance	232,543	343,227
Fidelity Guarantee	58,558	73,704
Burglary	320,750	260,629
Cash in transit including cash in safe	377,805	384,720
Goods in Transits	49,181	52,534
Products Liability	39,089	34,846
Public Liability	118,694	118,578
Bankers' Indemnity	329,112	276,473
Air Craft Hull	632,891	558,862
WCI	374,455	365,790
Others	1,732,291	2,072,314
Total Miscellaneous Insurance GWP	12,325,736	12,730,014
Total of SRCC & TC due to NITF	(252,055)	(298,984)
Coinsurers Premium	(20,008)	(168,887)
Net Premium Income of Insurance Industry	12,053,673	12,262,143

(a) Reinstated audited figures (b) Provisional figures

Notes :

1. Above GWP figures of sub categories of miscellaneous insurance business were stated without excluding Co-insurance, SRCC & T- Premium
2. Above analyses doesnot include information of NITF since required complete information was not submitted to the Board.

Statistical Review Contd...

Gross Written Premium, Reinsurance Premium and Retention by Insurers - General Insurance Business

Table 15 and Chart 15 depict the GWP generated by insurance companies, reinsurance premium ceded to reinsurers and the retention levels of main classes of general insurance business from 2010 to 2014. In 2014, Rs. 9,259 million had been ceded to reinsurers (2013: Rs. 9,387 million) out of the total GWP of Rs. 55,262 million generated by general insurers (2013: Rs. 53,311 million) which had resulted in an overall retention ratio of 83.25% (2013: 82.39%).

Similar to previous years, the highest retention ratio was recorded in motor insurance business which amounted to 98.28% in 2014 (2013: 97.39%) reflecting the higher level of risk borne by insurance companies. Premiums ceded to reinsurers for motor insurance has reduced significantly in 2014 by 30.44% and amounted to Rs. 601 million compared to Rs. 864 million recorded in 2013.

Miscellaneous insurance recorded the second highest retention ratio which amounted to 79.36% in 2014 (2013: 77.60%) and indicated an

increase of 1.76%. Premiums ceded to reinsurers for miscellaneous insurance has reduced to Rs. 2,531 million in 2014 from Rs. 2,700 million recorded in 2013 by 6.28% which has contributed to the increase in the retention ratio.

The retention ratio of marine insurance had decreased to 40.64% in 2014 compared to 44.39% recorded in 2013. Reinsurance premiums ceded to reinsurers in respect of marine insurance has increased to Rs. 1,076 million in 2014 from Rs. 999 million recorded in 2013 by 7.67% which has contributed to the decrease in the retention ratio.

Similar to previous years fire insurance recorded the lowest retention ratio in 2014 which amounted to 19.08% and indicated a decrease compared to the retention ratio of 23.48% recorded in 2013. A drop in retention ratio indicated the high level of reliance placed on reinsurance for fire insurance business in 2014.

Statistical Review Contd...

Table 15

Gross Written Premium, Reinsurance Premium and Retention by Insurers - General Insurance Business

Class	Gross Written Premium (Rs.'000)				
	2010	2011	2012	2013 (a)	2014 (b)
Fire	5,012,443	5,376,094	5,422,347	6,303,579	6,242,137
Marine	1,498,832	1,678,027	1,917,570	1,796,374	1,811,989
Motor	20,948,782	27,141,119	31,637,508	33,157,131	34,945,370
Miscellaneous	7,641,390	9,133,584	10,717,025	12,053,673	12,262,143
Total Gross Written Premium	35,101,447	43,328,824	49,694,450	53,310,758	55,261,639

Class	Reinsurance Premium (Rs.'000)				
	2010	2011	2012	2013 (a)	2014 (b)
Fire	4,233,236	4,090,136	4,140,877	4,823,731	5,051,044
Marine	813,665	847,392	1,326,369	998,976	1,075,640
Motor	316,594	387,211	478,478	864,394	601,306
Miscellaneous	2,020,031	2,302,942	2,752,627	2,700,309	2,530,557
Total Reinsurance Premium	7,383,526	7,627,681	8,698,351	9,387,410	9,258,546

Class	Retention (Rs.'000)				
	2010	2011	2012	2013	2014
Fire	779,208	1,285,958	1,281,469	1,479,848	1,191,094
Marine	685,167	830,635	591,202	797,399	736,349
Motor	20,632,188	26,753,908	31,159,029	32,292,737	34,344,064
Miscellaneous	5,621,359	6,830,643	7,964,399	9,353,364	9,731,586
Total Net Written Premium	27,717,922	35,701,143	40,996,099	43,923,348	46,003,093

Class	Retention as a Percentage of Gross Written Premiums (%)				
	2010	2011	2012	2013	2014
Fire	15.55	23.92	23.63	23.48	19.08
Marine	45.71	49.50	30.83	44.39	40.64
Motor	98.49	98.57	98.49	97.39	98.28
Miscellaneous	73.56	74.79	74.32	77.60	79.36
Overall Retention Ratio	78.97	82.40	82.50	82.39	83.25

(a) Reinstated audited figures

(b) Provisional figures

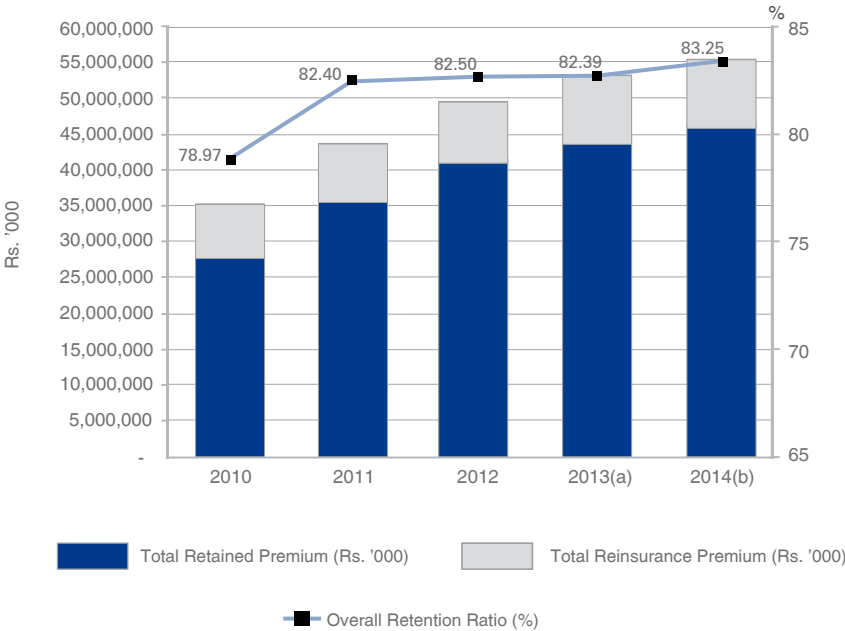
Notes:

1. Strike, Riot, Civil Commotion and Terrorism (SRCC & T) premium income of NITF was not considered for insurance companies' general insurance GWP for the years 2010 to 2014.
2. Above analysis does not include information of NITF since required complete information was not submitted to the Board.

Statistical Review Contd...

Chart 15

Reinsurance Premium and Retention by Insurers - General Insurance Business



(a) Reinstated audited figures
 (b) Provisional figures

Statistical Review Contd...

Net Earned Premium, Net Claims Incurred, Net Claims Ratio, Net Expenses Ratio and Net Combined Ratio - General Insurance Business

Net earned premium generated from main sub-classes of general insurance business increased to Rs. 44,233 million in 2014 from Rs. 42,036 million generated in 2013 by 5.23% as depicted in Table 16. Motor insurance business recorded the highest net earned premium which amounted to Rs. 33,031 million and reflected 74.68% of total net earned premium recorded in 2014.

Total net claims incurred during 2014 amounted to Rs. 28,935 million indicating an increase of 13.16% compared to Rs. 25,570 million recorded in 2013. Motor insurance business accounted for 73.83% of total net claims incurred in 2014 by recording claims amounted to Rs. 21,363 million (2013: Rs. 19,398 million).

Net claims ratio which reflects net claims as a percentage of net earned premium was highest for fire insurance business in 2014. Net claims ratio of fire insurance business has increased to 69.72% in 2014 from 57.64% recorded in 2013. Though net claims incurred for fire insurance business had decreased in 2014 compared to 2013, net earned premium of fire insurance business had decreased at a higher rate which has resulted in the higher net claims ratio.

Miscellaneous insurance business also recorded a net claims ratio of 69.40% in 2014 which was higher than the net claims ratio of 57.37% recorded in 2013. Though net earned premium of miscellaneous

insurance business had increased to Rs. 9,470 million in 2014 from 8,592 million recorded in 2013 by 10.22%, net claims incurred for miscellaneous insurance business had increased significantly by 33.33% in 2014 which had resulted in the higher net claims ratio.

Motor insurance business recorded a net claims ratio of 64.68% in 2014 and reflected an increase over 62.11% recorded in 2013. Net claims incurred for motor insurance business has increased by 10.13% in 2014 although its net earned premium has only increased by 5.76% which has resulted in the increase in net claim ratio of motor insurance business in 2014.

Net claims ratio of marine insurance business has significantly dropped to 40.22% in 2014 from 53.71% recorded in 2013 due to the significant drop of 34.70% in net claims incurred in 2014.

As reflected in Table 16 and Chart 16 net expenses incurred by general insurance sector amounted to Rs. 19,569 million in 2014 (2013: Rs. 17,360 million) increasing by 12.72% in 2014. The overall net expense ratio of general insurance business has also increased to 44.24% in 2014 compared to 41.30% recorded in 2013. Net combined ratio which reflects the aggregate of net claims ratio and net expense ratio had increased to 109.66% from 102.13% recorded in 2013. A combined ratio exceeding 100% reflects that the total claims and expenses incurred by the general insurance sector had been higher than the earned premium.

Statistical Review Contd...

Table 16

Net Earned Premium, Net Claims Incurred, Net Claims Ratio, Net Expense Ratio and Net Combined Ratio - General Insurance Business

Class	Net Earned Premium (Rs.'000)				
	2010	2011	2012	2013(a)	2014(b)
Fire	1,098,186	1,141,591	1,400,808	1,405,741	1,029,013
Marine	674,476	802,677	537,073	805,682	702,595
Motor	18,356,887	23,575,071	29,293,110	31,232,673	33,030,719
Miscellaneous	5,282,148	6,298,058	7,222,611	8,591,530	9,470,186
Total	25,411,697	31,817,397	38,453,602	42,035,626	44,232,513

Class	Net Claims Incurred (Rs.'000)				
	2010	2011	2012	2013(a)	2014(b)
Fire	529,448	482,646	505,101	810,281	717,400
Marine	216,143	232,189	321,077	432,748	282,585
Motor	11,733,879	15,416,753	18,235,622	19,397,683	21,363,322
Miscellaneous	3,091,110	4,160,145	4,705,619	4,929,225	6,572,105
Total	15,570,580	20,291,734	23,767,419	25,569,936	28,935,411

Class	Net Claims Ratio (%)				
	2010	2011	2012	2013(a)	2014(b)
Fire	48.21	42.28	36.06	57.64	69.72
Marine	32.05	28.93	59.78	53.71	40.22
Motor	63.92	65.39	62.25	62.11	64.68
Miscellaneous	58.52	66.05	65.15	57.37	69.40
Total	61.27	63.78	61.81	60.83	65.42

Class	2010	2011	2012	2013(a)	2014(b)
Net Expenses (Rs.'000)	10,058,322	12,105,102	14,807,142	17,359,623	19,569,487
Net Expense Ratio (%)	39.58	38.04	38.51	41.30	44.24

Net Combined Ratio (%)	2010	2011	2012	2013	2014
	100.85	101.82	100.32	102.13	109.66

(a) Reinstated audited figures

(b) Provisional figures

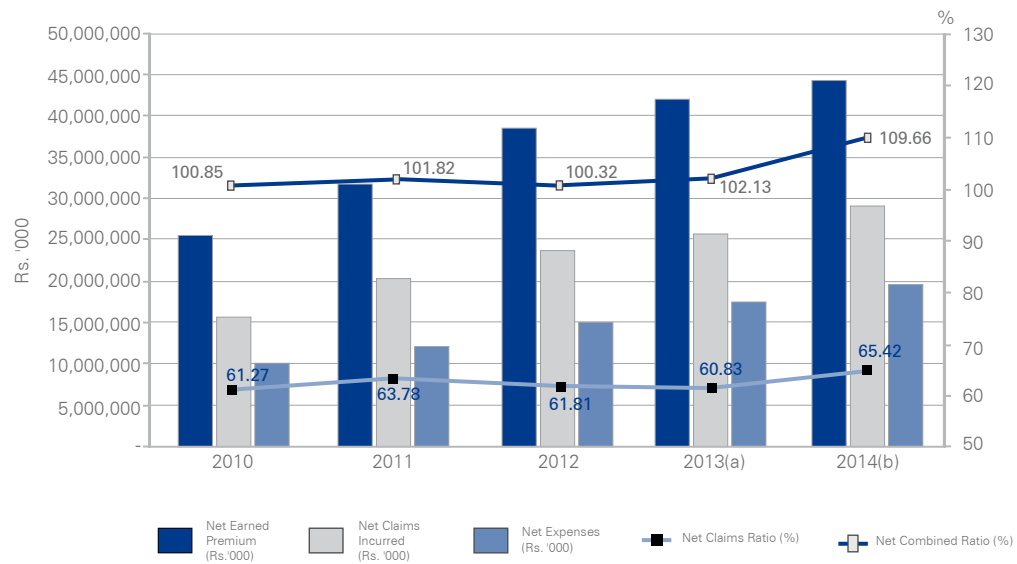
Notes:

1. Strike, Riot, Civil Commotion and Terrorism (SRCC & T) premium income of NITF was not considered for insurance companies' general insurance GWP for the years 2010 to 2014.
2. Above analysis does not include information of NITF since required complete information was not submitted to the Board.

Statistical Review Contd...

Chart 16

Net Earned Premium, Net Claims Incurred, Net Expenses, Net Claims Ratio and Net Combined Ratio - General Insurance Business



(a) Reinstated audited figures

(b) Provisional figures

Statistical Review Contd...

Number of Policies Representing Gross Written Premium - General Insurance Business

Table 17 reflects the number of insurance policies pertaining to different sub-classes of general insurance business which had contributed to generate GWP from 2010 to 2014. The total number of general insurance policies related to all sub-classes of general insurance business has increased to 4,589,139 in 2014 from 4,327,860 policies reported in 2013. As depicted in Table 17 total number policies of general insurance

business had increased gradually during the past five years and motor insurance business accounted for the largest number of policies from a single sub-class of general insurance business representing 87.31% of total policies. The total number of motor insurance policies amounted to 4,006,740 in 2014 which consisted of 2,229,170 third party insurance policies and 1,777,570 comprehensive insurance policies.

Insurance policies of fire, marine and miscellaneous insurance businesses had increased in 2014 compared to 2013. However insurance policies of workmen compensation had decreased in 2014 compared to 2013.

Table 17

Number of Policies Representing Gross Written Premium - General Insurance Business

	2010	2011	2012	2013	2014
Fire	154,474	205,622	186,462	177,723	190,725
Marine	138,201	169,610	154,411	158,836	179,173
Motor					
3rd Party Only	1,929,875	2,074,303	1,997,502	2,126,037	2,229,170
Comprehensive	952,113	1,223,534	1,474,742	1,667,752	1,777,570
WCI	14,606	17,172	17,415	18,717	16,252
Miscellaneous					
Health	7,277	7,872	10,294	11,384	13,876
Excluding Health	163,374	204,646	198,197	167,411	182,373
Total	3,359,920	3,902,759	4,039,023	4,327,860	4,589,139

Statistical Review Contd...

Assets of General Insurance Business and Shareholders

Total assets of general insurance business including shareholders' assets amounted to Rs. 163,834 million as at 31st December 2014 and recorded a growth of 10.39% compared to assets worth of Rs. 148,410 recorded as at 31st December 2013.

As reflected in Table 18 and Chart 17, equities accounted for 28.81% of the total asset portfolio of general insurance business as at 31st December 2014 and amounted to Rs. 47,194 million. This has been an increase of 34.94% compared to the previous year's investment in equities which amounted to Rs. 34,974 million reflecting insurers' preference to invest in the stock market during 2014.

Government securities represented the second largest asset category in general insurance business and accounted for 15.56% of total assets as at 31st December 2014. Investments in government securities amounted to Rs. 25,496 million as at 31st December 2014 and recorded a significant drop of 9.47% compared to Rs. 28,163 million recorded as at 31st December 2013 mainly due to further decline in interest rates

during 2014. Throughout the year the Board ensured that insurance companies invest at least 20% of investments of Technical Reserves in government securities as stipulated by the Act and the remaining assets in accordance with Determination 1.

Other assets were the third largest asset category of general insurance business and shareholders which represented 13.44% of total assets as at 31st December 2014 and amounted to Rs. 22,018 million as at 31st December 2014 increasing marginally over Rs. 21,110 million recorded as at 31st December 2014.

Deposits in banks and finance companies represented 12.33% of total assets as at 31st December 2014 and amounted to Rs. 20,200 million (2013: Rs. 18,956 million) which recorded a growth of 6.56% compared to 2013.

Premium receivables, land and buildings and corporate debts were the other main asset categories of general insurance business and shareholders which accounted for 8.32%, 6.81% and 4.62% of total assets respectively as at 31st December 2014.

Table 18

Concentration of Assets of General Insurance Business and Shareholders as at 31st December 2013 & 2014

Type of Asset	2013(a)		2014(b)	
	Rs.'000	%	Rs.'000	%
Government Debt Securities	28,162,948	18.98	25,495,519	15.56
Equities	34,974,481	23.57	47,193,839	28.81
Corporate Debt	5,973,048	4.02	7,575,359	4.62
Land & Buildings	11,078,105	7.46	11,151,304	6.81
Deposits	18,955,900	12.77	20,200,288	12.33
Unit Trusts	2,042,822	1.38	2,362,436	1.44
Investments in Gold	32,219	0.02	2,491	0.00
Reinsurance Receivable	6,734,352	4.54	6,651,289	4.06
Premium Receivable from Policyholders and Intermediaries	12,824,613	8.64	13,625,956	8.32
Property Plant and Equipments	5,069,556	3.42	5,158,889	3.15
Other Assets	21,110,092	14.22	22,018,427	13.44
Cash and Cash Equivalents	1,452,169	0.98	2,398,089	1.46
Total	148,410,304	100	163,833,886	100

(a) Reinstated audited figures

(b) Provisional figures

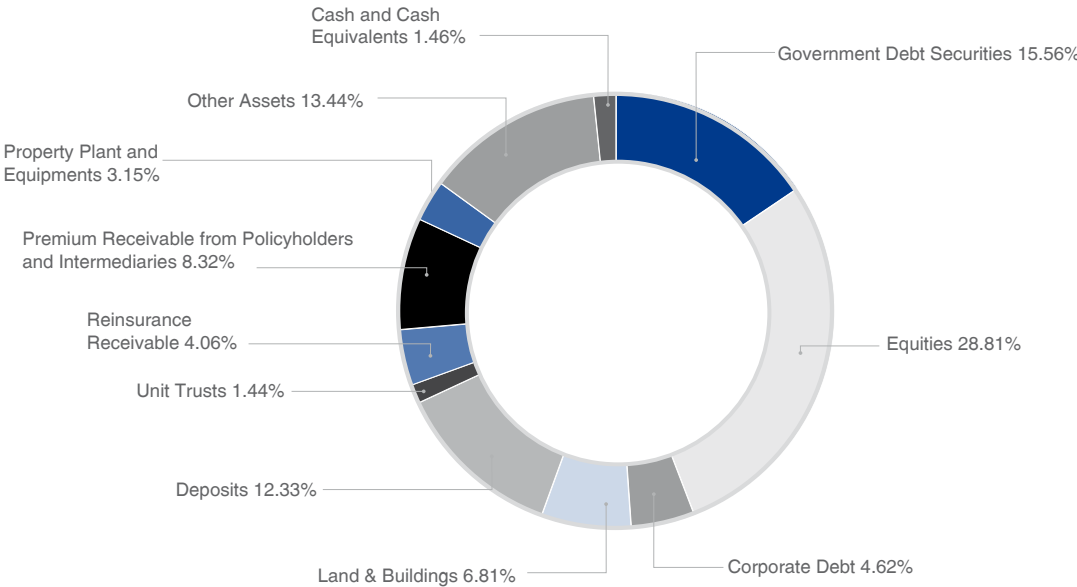
Notes:

1. Above analysis does not include information of NITF since required complete information was not submitted to the Board.
2. The assets belonging to shareholders of Allianz Life, Arpico and LIC have been reported under long term insurance business

Statistical Review Contd...

Chart 17

Concentration of Assets of General Insurance Business and Shareholders - 31st December 2014



Statistical Review Contd...

Investment Income of General Insurance Business and Shareholders

Table 19 depicts the investment income, average investments and investment yield ratios of different asset categories of general insurance business and shareholders for the years 2013 and 2014.

Average investments of general insurance business and shareholders amounted to Rs. 108,981 million in 2014 which had increased by 10.58% compared to Rs. 98,554 million recorded as at 31st December 2013. The total investment income generated from the said investments amounted to Rs. 8,211 million in 2014 (2013: Rs. 7,502 million) and resulted in an overall investment yield of 7.53% slightly lower than the 7.61% recorded in 2013.

Average investment in equities amounted to Rs. 41,084 million in 2014 (2013: Rs. 34,385 million) and continued to be the largest investment category of general insurance business and shareholders. The investment income generated from equities amounted to Rs. 2,044 million in 2014 (2013: Rs. 1,217 million) which included capital gains of Rs. 984 million and dividends worth of Rs. 1,060 million. Investment yield of equities amounted to 4.98% which was higher than the investment yield of 3.54% recorded in 2013. This has been particularly due to the boom in the stock market during 2014 which induced insurers to increase their investments in equities.

Average investments in government securities amounted to Rs. 26,829 million in 2014 and recorded a decline of 7.11% when compared to Rs.

28,883 million worth of average investments recorded in 2013. Investment income generated from government securities amounted to Rs. 2,520 million and reflected a decrease compared to Rs. 2,942 million recorded in 2013. The investment yield generated from government securities amounted to 9.39% in 2014 and recorded a decrease compared to 10.91% investment yield ratio recorded in 2013 which was mainly attributable to the further drop in interest rates during 2014.

Average investment in deposits in banks and finance companies amounted to Rs. 19,578 million in 2014 and recorded a significant growth of 23.57% compared to Rs. 15,844 million recorded in 2013. Deposits generated an investment income of Rs. 1,632 million in 2014 and recorded a significant drop of 18.60% when compared to Rs. 2,005 million recorded in 2013. Investment income of deposits in 2014 included interest income worth of Rs. 1,387 million received from bank deposits (2013: Rs. 1,845 million) and Rs. 245 million worth interest received from finance companies (2013: Rs. 160 million). Investment yield of deposits amounted to 8.34 % in 2014 and recorded a drop when compared to the investment yield of 12.65% generated in 2013 corresponding to the decrease in interest rates during 2014.

Further, during 2014 corporate debts, land and buildings, unit trusts and other investments generated investment yield ratios of 13.37%, 0.07%, 14.39% and 56.78% respectively. However investments in gold generated a negative investment yield of 3.49% in 2014 due to the drop in gold prices during 2014.

Statistical Review Contd...

Table 19

Breakup of Investment Income and Average Investments - General Insurance Business

Category	2013(a)			2014(b)		
	Investment Income (Rs. '000)	Average Investments (Rs. '000)	Investment Yield Ratio (%)	Investment Income (Rs. '000)	Average Investments (Rs. '000)	Investment Yield Ratio (%)
Government Debt Securities	2,941,718	28,882,731	10.19	2,520,496	26,829,233	9.39
- Treasury Bonds	1,366,144			1,376,014		
- Treasury Bills	594,456			411,388		
- Others (REPO)	981,118			733,094		
Equity	1,217,438	34,385,010	3.54	2,044,132	41,084,160	4.98
- Capital Gain/Losses	212,760			984,076		
- Dividend	1,004,678			1,060,056		
Corporate Debts	782,655	4,907,639	15.95	906,022	6,774,203	13.37
- Debentures	625,407			881,250		
- Commercial Papers	134,743			8,635		
- Asset backed securities	13,947			10,037		
- Other similar financial instruments	8,558			6,100		
Land and Buildings	(27,858)	11,489,134	(0.24)	8,234	11,114,705	0.07
Deposits	2,004,679	15,844,275	12.65	1,631,835	19,578,094	8.34
- Bank	1,844,706			1,386,536		
- Finance Companies	159,973			245,299		
Unit Trust	146,843	1,631,623	9.00	317,022	2,202,629	14.39
Gold	(27,777)	19,674	(141.19)	(606)	17,355	(3.49)
Others	464,084	1,393,775	33.30	783,824	1,380,517	56.78
Total	7,501,782	98,553,861	7.61	8,210,959	108,980,896	7.53

(a) Reinstated audited figures

(b) Provisional figures

Note:

Above analysis does not include information of NITF since required complete information was not submitted to the Board.

Statistical Review Contd...

Solvency Position of Insurance Companies - General Insurance Business

Table 20 illustrates the solvency ratio and Technical Reserve details recorded by individual general insurance companies as at 31st December 2013 and 31st December 2014. The average solvency ratio recorded by general insurers amounted to 2.39 as at 31st December 2014 and reflected a slight decline compared to the solvency ratio of 2.75

recorded as at 31st December 2013. Technical reserves of all general insurers collectively amounted to Rs. 38,569 million as at 31st December 2014 and recorded an increase of 7.96% compared to Rs. 35,724 million recorded as at 31st December 2013. All general insurers were able to satisfy the minimum required solvency ratio of 1 as at 31st December 2014 and the Board scrutinized the solvency position of all insurance companies throughout the year.

Table 20

Company-wise Analysis of Solvency Position and Technical Reserves as at 31st December 2013 & 2014 - General Insurance Business

Insurer	as at 31st December 2013(a)		As at 31st December 2014(b)			
	Solvency Ratio (ASM/RSM)	Technical Reserves (Rs. '000)	Available Solvency Margin (ASM) (Rs. '000)	Required Solvency Margin (Rs. '000)	Solvency Ratio (ASM/RSM)	Technical Reserves (Rs. '000)
AIA	4.01	1,702,296	1,371,314	437,609	3.13	1,833,987
AIG	2.04	403,207	180,118	50,000	3.60	61,982
Allianz Gen.	2.25	1,010,087	455,046	305,505	1.49	1,280,203
Amana Takaful	1.85	511,409	229,795	227,696	1.01	493,240
Asian Alliance	2.21	781,103	481,199	280,828	1.71	999,641
Ceylinco	1.33	5,686,878	2,869,781	1,957,655	1.47	6,110,117
Continental	1.75	611,398	610,977	246,789	2.48	767,911
Cooperative	1.72	845,156	455,138	263,748	1.73	1,014,064
HNBA	3.89	924,712	1,136,355	369,839	3.07	1,150,323
Janashakthi	1.67	4,103,078	1,940,852	1,135,015	1.71	4,327,793
LOLC	1.05	1,074,318	423,993	317,274	1.34	1,326,137
MBSL	(0.39)	627,183	177,596	160,016	1.11	546,459
Orient	8.04	150,739	320,935	79,209	4.05	259,891
People's	1.51	2,238,159	1,008,830	629,334	1.60	2,581,583
Sanasa	1.28	131,248	78,556	50,000	1.57	181,426
SLIC	4.93	11,881,612	9,881,897	2,806,388	3.52	12,481,712
UAL	2.07	3,040,948	2,630,193	830,493	3.17	3,152,537
Total	2.75	35,723,531	24,252,575	10,147,398	2.39	38,569,006

(a) Reinstated audited figures

(b) Provisional figures

Note:

Above analysis does not include information of NITF since required complete information was not submitted to the Board.

Statistical Review Contd...

Details of New, Renewed and Policies in Force – General Insurance Business

Table 21 depicts details of new insurance policies, renewed policies and policies in force for 2013 and 2014 for different sub-classes of general insurance business. The total number of policies in force pertaining to all sub-classes of general insurance business amounted to 4,445,458 policies in 2014 (2013: 4,311,694) and increased by 3.10% compared to 2013. New policies issued during 2014 amounted to 1,966,945 policies (2013: 1,844,386) while 2,601,640 policies were renewed in 2014 (2013: 2,435,007).

Motor insurance represented the largest number of insurance policies in force as at end of 2014 by recording 3,870,083 policies (2013: 3,774,571)

which comprised of 2,225,766 third party policies (2013:2,273,047) and 1,644,317 comprehensive policies (2013: 1,501,524). The total motor insurance policies in force had increased by only 2.53% in 2014 over 2013.

Fire insurance policies in force had reduced to 181,907 policies in 2014 from 196,386 policies recorded in 2013 indicating a decline of 7.37%. Marine insurance policies in force had increased to 157,371 in 2014 from 131,201 policies recorded at the end of 2013 increasing by 19.95%. Miscellaneous insurance policies in force including workmen compensation had increased to 236,097 policies in 2014 by 12.68% when compared to 209,536 policies recorded in 2013.

Table 21

Details of New, Renewed and Policies in Force – General Insurance Business

Class	2013			2014		
	New Policies	Renewed Policies	Policies In Force At Year End	New Policies	Renewed Policies	Policies In Force At Year End
Fire	64,841	128,805	196,386	69,219	120,431	181,907
Marine	150,959	3,075	131,201	182,926	2,267	157,371
Motor						
3rd party only	952,618	1,274,643	2,273,047	893,843	1,328,329	2,225,766
Comprehensive	543,594	952,399	1,501,524	684,961	1,072,141	1,644,317
Miscellaneous including WCI	132,374	76,085	209,536	135,996	78,472	236,097
Total	1,844,386	2,435,007	4,311,694	1,966,945	2,601,640	4,445,458

Note:

Above analysis does not include information of NITF since required complete information was not submitted to the Board.

Statistical Review Contd...

Insurance Brokering Companies

Performance of Insurance Brokering Companies

During 2014, fifty nine insurance brokering companies operated in the market and generated a Gross Written Premium (GWP) amounting to Rs.14,716 million. Accordingly total GWP generated through insurance brokering business recorded a growth of 2.34% in 2014 when compared to Rs.14,380 million generated in 2013. This total GWP consisted of premium income generated through long term insurance business and general insurance business which amounted to Rs.158 million and Rs.14,559 million respectively. Out of the total GWP generated through insurance brokering companies 98.93% represented GWP of general insurance business and only 1.07% represented GWP of long term insurance business.

Similar to previous years, insurance brokering companies' contribution towards long term insurance business was insignificant in 2014 and only 0.35% of the total GWP of long term insurance business (Rs.44,610

million) was generated from brokering companies. Insurance brokering companies have generated 24.78% of the total GWP of general insurance business which amounted to Rs.58,753 million (including SRCC & T premium).

In 2014, twenty three insurance brokering companies procured GWP exceeding Rs.100 million each and these insurance brokers collectively generated GWP amounted to Rs.13,691 million. The remaining thirty six insurance brokering companies generated Rs. 1,025 million as depicted in Table 22.

Chart 18 depicts GWP generated through insurance brokering companies in respect of long term and general insurance businesses and their contribution to total GWP during the period 2005 to 2014.

Statistical Review Contd...

Table 22

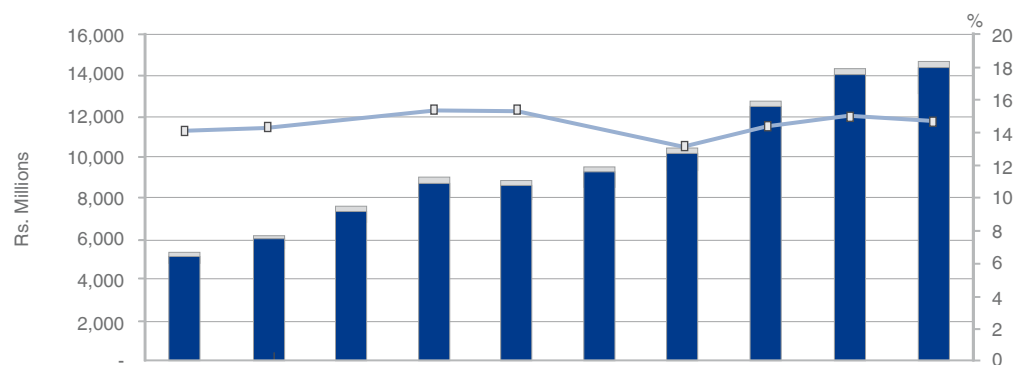
Gross Written Premium Generated through Insurance Brokering Companies - 2014

	Name of the Brokering Company	Gross Written Premium					
		Long Term Insurance Business		General Insurance Business		Total	
		Rs.('000)	Market Share (%)	Rs.('000)	Market Share (%)	Rs.('000)	Market Share (%)
1	ADZ Insurance Brokers (Pvt) Limited	5,478	3.48	391,752	2.69	397,230	2.70
2	Aitken Spence Insurance Brokers (Pvt) Limited	790	0.50	435,621	2.99	436,411	2.97
3	Alfinco Insurance Brokers (Pvt) Limited	-	0.00	714,829	4.91	714,829	4.86
4	Assetline Insurance Brokers Limited	-	0.00	1,151,824	7.91	1,151,824	7.83
5	CF Insurance Brokers (Pvt) Limited	31	0.02	2,059,092	14.14	2,059,123	13.99
6	Colombore Insurance Brokers (Pvt) Limited	-	0.00	111,613	0.77	111,613	0.76
7	Commercial Insurance Brokers (Pvt) Limited	50,346	31.96	1,740,656	11.96	1,791,002	12.17
8	Delmege Insurance Brokers (Pvt) Limited	13,266	8.42	705,923	4.85	719,189	4.89
9	Equity Insurance Brokers (Pvt) Limited	-	0.00	148,660	1.02	148,660	1.01
10	Essajee Carimjee & Co. (Pvt) Limited	15,020	9.54	341,773	2.35	356,793	2.42
11	Finlay Insurance Brokers (Pvt) Limited	19,857	12.61	1,357,651	9.33	1,377,508	9.36
12	Global Insurance Brokers & Services (Pvt) Ltd	266	0.17	400,957	2.75	401,223	2.73
13	Industrial & Commercial Insurance Brokers (Pte) Limited	1,915	1.22	271,704	1.87	273,619	1.86
14	Life & General Insurance Brokers Ceylon (Pvt) Limited	672	0.43	150,080	1.03	150,752	1.02
15	Nations Insurance Brokers Limited	7,440	4.72	1,234,267	8.48	1,241,707	8.44
16	Placid Insurance Brokers (Pvt) Limited	85	0.05	106,923	0.73	107,008	0.73
17	Procure Insurance Brokers (Pvt) Limited	1,173	0.74	193,315	1.33	194,487	1.32
18	Protection & Assurance Insurance Brokers (Pvt) Limited	15	0.01	601,153	4.13	601,168	4.09
19	Reliance Insurance Brokers (Pvt) Limited	5,839	3.71	315,175	2.16	321,014	2.18
20	Senarantne Insurance Brokers (Pvt) Limited	4,262	2.71	243,646	1.67	247,907	1.68
21	Senkadagala Insurance Brokers (Pvt) Limited	-	0.00	616,294	4.23	616,294	4.19
22	Strategic Insurance Brokers (Pvt) Limited	173	0.11	116,318	0.80	116,491	0.79
23	Zenith Insurance Brokers (Pvt) Limited	1,142	0.72	153,930	1.06	155,071	1.05
	Sub - Total	127,770	81.11	13,563,155	93.16	13,690,923	93.03
	Other Insurance Brokering Companies (36)	29,750	18.89	995,541	6.84	1,025,291	6.97
	Grand Total	157,520	100	14,558,696	100	14,716,215	100

Statistical Review Contd...

Chart 18

Gross Written Premium Generated through Insurance Brokering Companies From 2005 to 2014



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Long Term Insurance GWP (Rs. Million)	103	144	158	195	188	243	296	195	191	158
General Insurance GWP (Rs. Million)	5,208	6,028	7,393	8,781	8,698	9,317	10,193	12,532	14,189	14,559
Brokers' Contribution as a % of total GWP	14.27	14.34	14.55	15.43	15.44	14.43	13.36	14.60	15.14	14.74

Abbreviations for Insurance Companies

AIA	: AIA Insurance Lanka PLC (Formerly AVIVA NDB Insurance PLC)	HNBA	: HNB Assurance PLC
AIG	: AIG Insurance Ltd. (Formerly CHARTIS Insurance Ltd)	Janashakthi	: Janashakthi Insurance PLC
Allianz Gen.	: Allianz Insurance Lanka Ltd.	LIC	: Life Insurance Corporation (Lanka) Ltd.
Allianz Life	: Allianz Life Insurance Lanka Ltd.	LOLC	: LOLC Insurance Company Ltd.
Amana Takaful	: Amana Takaful PLC	MBSL	: MBSL Insurance Company Ltd.
Arpico	: Arpico Insurance Ltd.	NICL	: National Insurance Corporation Ltd.
Asian Alliance	: Asian Alliance Insurance PLC	NITF	: National Insurance Trust Fund
Ceylinco Takaful	: Ceylinco Takaful Ltd.	Orient	: Orient Insurance Ltd.
Ceylinco	: Ceylinco Insurance PLC	People's	: People's Insurance Ltd.
Continental	: Continental Insurance Lanka Ltd.	Sanasa	: Seemasahitha Sanasa Rakshana Samagama
Cooperative	: Cooperative Insurance Company Ltd.	SLIC	: Sri Lanka Insurance Corporation Ltd.
		UAL	: Union Assurance PLC