

# **PRESS RELEASE**

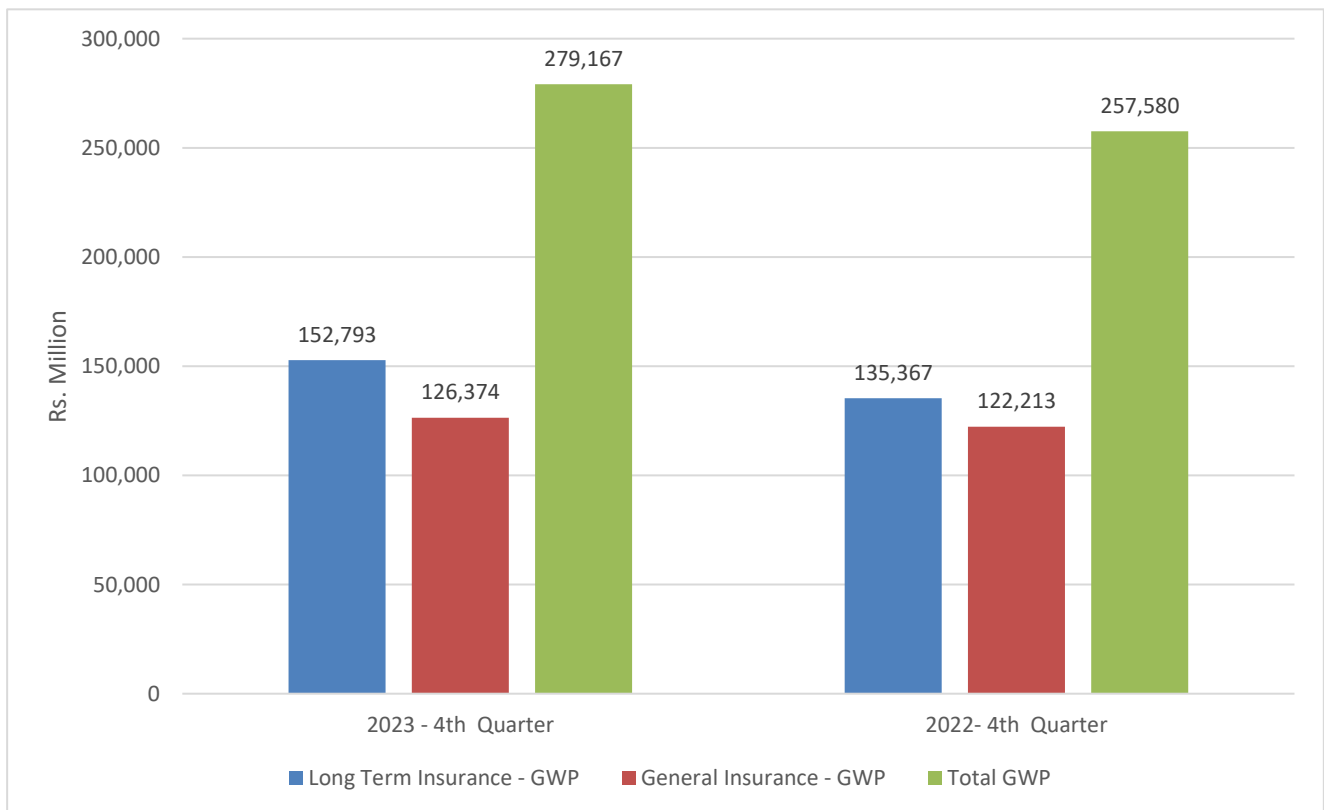
## **Performance of the Insurance Industry – Q4, 2023**

### **Gross Written Premium**

The total Gross Written Premium (GWP) of the insurance industry for Long Term and General Insurance Businesses for the period ended 31<sup>st</sup> December 2023 was Rs. 279,167 million (Q4, 2022: Rs.257,580 million), recording a growth of 8.38%. The premium increase is Rs. 21,587 million when compared to the same period in the year 2022.

The GWP of Long-Term Insurance Business amounted to Rs. 152,793 million (Q4, 2022: Rs. 135,367 million) recording a growth of 12.87%. The GWP of General Insurance Business amounted to Rs. 126,374 million (Q4, 2022: Rs. 122,213 million) recording a growth of 3.40%.

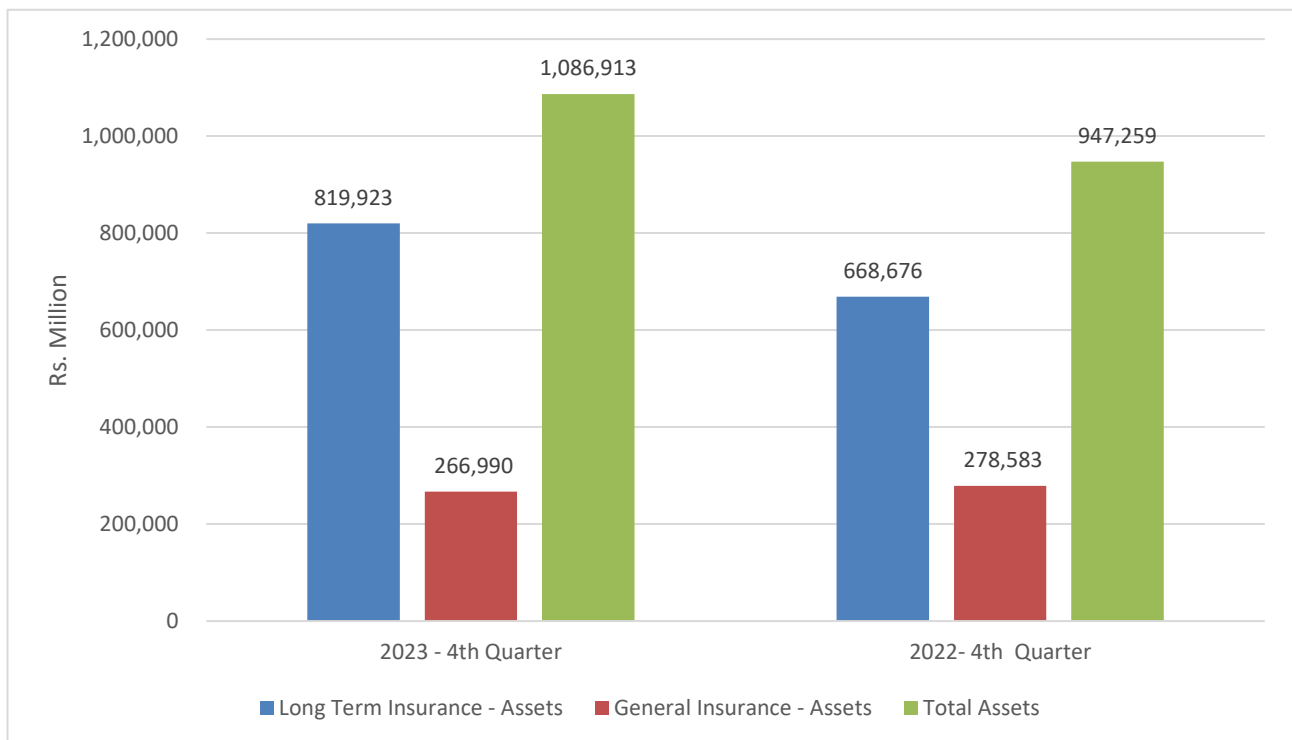
### **Chart 1- Gross Written Premium Income**



### **Total Assets**

The value of the total assets of insurance companies has increased to Rs. 1,086,913 million at the end of 4<sup>th</sup> Quarter 2023, when compared to Rs. 947,259 million recorded as at the end of Q4 2022, reflecting a growth of 14.74%. The assets of the Long-Term Insurance Business amounted to Rs. 819,923 million (Q4, 2022: Rs. 668,676 million) depicting a growth rate of 22.62%, mainly due to an increase in business volume which is represented by investments in government debt securities. The assets of the General Insurance Business amounted to Rs. 266,990 million (Q4, 2022: Rs. 278,583 million) showing a marginal decline of 4.16%.

**Chart 2- Total Assets**



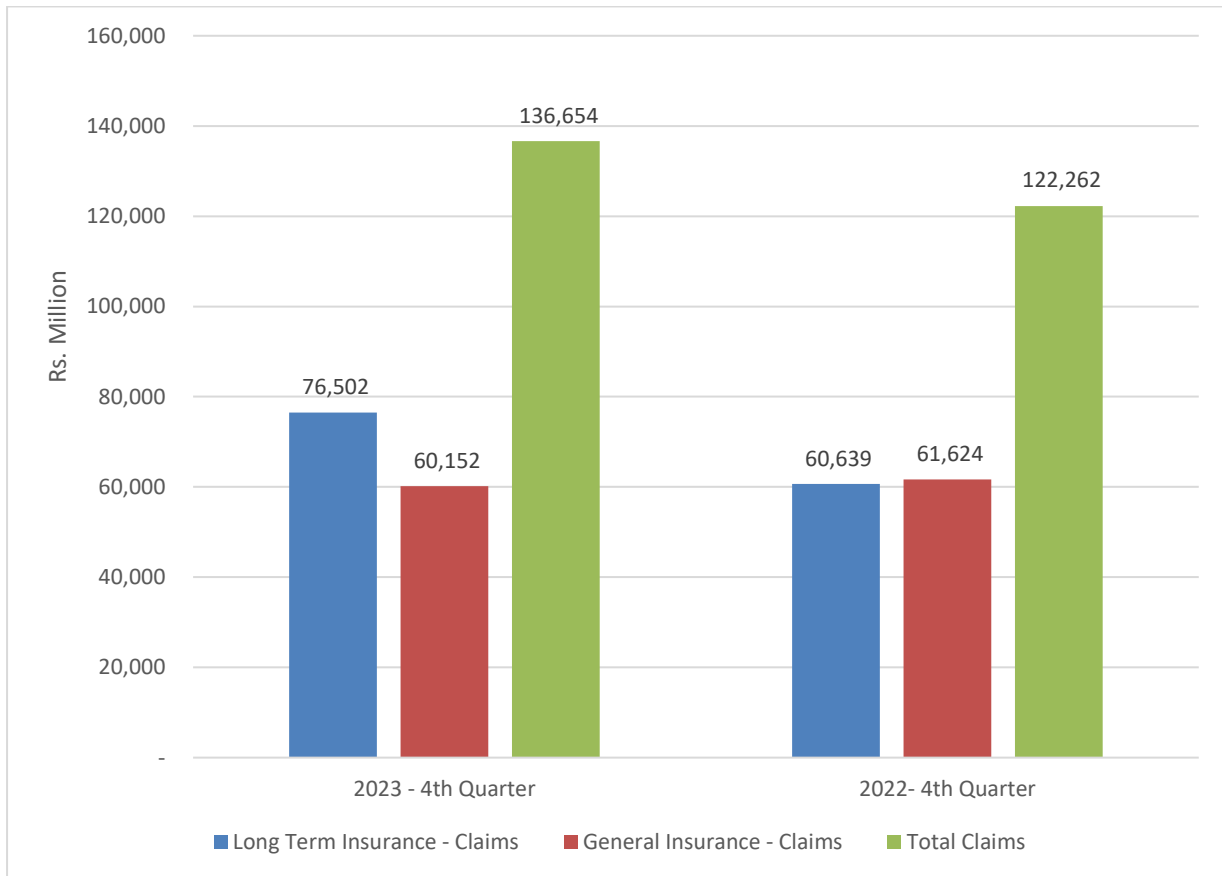
### **Investment in Government Securities**

Investments in Government Debt Securities for the period ended Q4, 2023 amounted to Rs. 425,770 million (Q4, 2022: Rs. 324,362 million) representing 57.11% of the total investments of Long-Term Insurance Business and increased by 31.26%, while such investment of the total investment of General Insurance Business amounted to Rs. 77,387 million (Q4, 2022: Rs. 88,899 million) representing 45.66% of the total investment of General Insurance and decreased by 12.95%. Accordingly, the total investment in Government Securities in the two businesses for the period ended Q4, 2023 amounted to Rs. 503,157 million (Q4, 2022: Rs. 413,262 million), showing an overall increase of 21.75%.

### **Claims incurred by Insurance Companies**

Claims incurred by insurance companies in both the Long-Term Insurance Business and General Insurance Business were Rs. 136,654 million (Q4, 2022: Rs. 122,262 million) showing an increase of 11.77% year-on-year. The Long-Term Insurance claims, including maturity and death benefits, amounted to Rs. 76,502 million (Q4, 2022: Rs. 60,639 million). The claims incurred in the General Insurance Business, including Motor, Fire, Marine and other categories, amounted to Rs. 60,152 million (Q4, 2022: Rs. 61,624 million). Hence, during the 4<sup>th</sup> quarter of 2023, claims incurred in Long Term Insurance increased by 26.16% and claims incurred in General Insurance decreased by 2.39%, when compared to the same period in 2022.

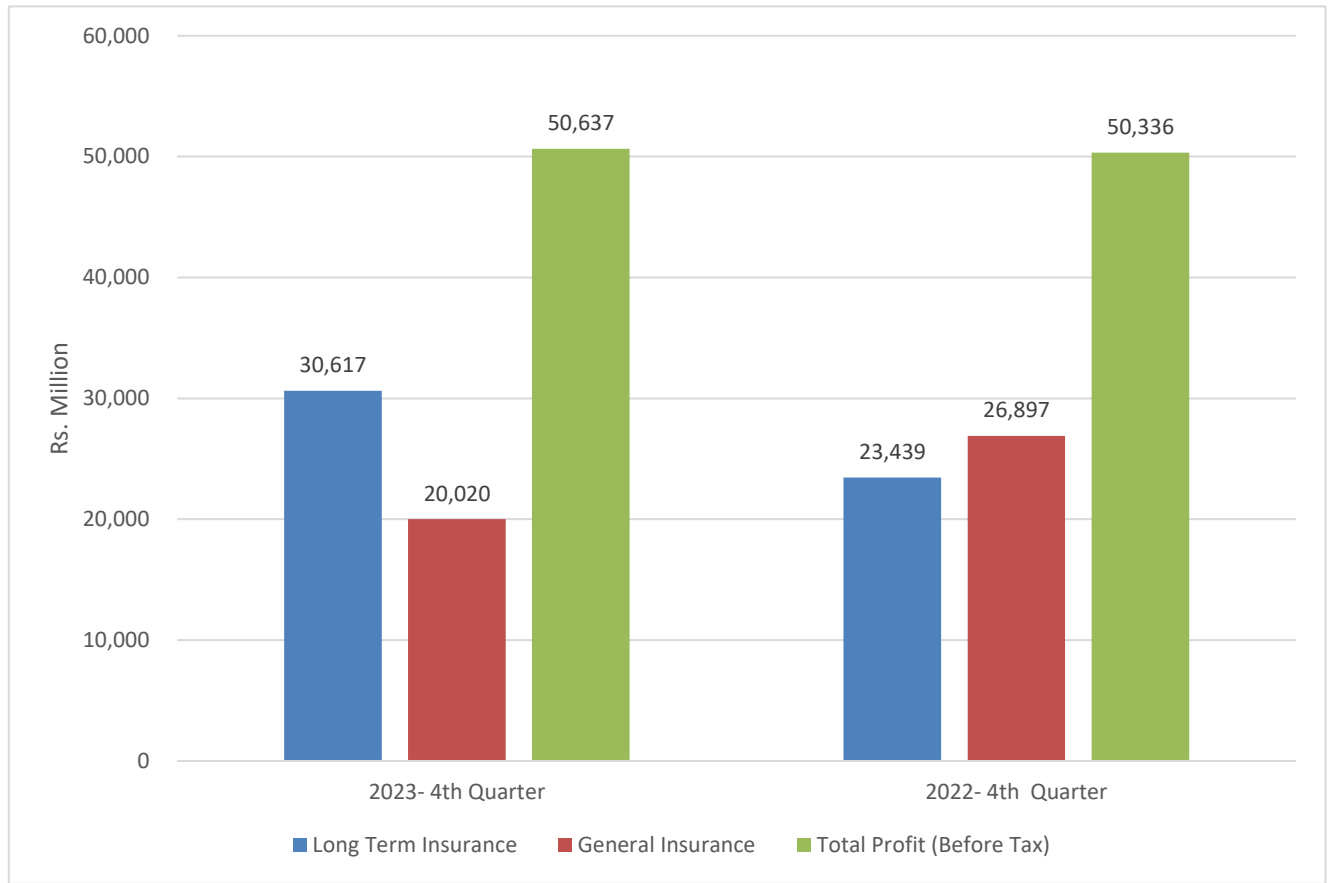
**Chart 3- Claims incurred by Insurance Companies**



**Profit (Before Tax) of Insurance Companies**

The Profit Before Tax (PBT) of insurance companies as at the end of 4<sup>th</sup> Quarter 2023 in both Long-Term Insurance Business and General Insurance Business amounted to Rs. 50,637 million (Q4, 2022: Rs. 50,336 million) showing a slight increase in total profit amount by 0.60%. The PBT of Long-Term Insurance Business amounted to Rs. 30,617 million (Q4, 2022: Rs. 23,439 million) showing a significant growth of 30.63%, while the PBT of General Insurance Business amounted to Rs. 20,020 million (Q4, 2022: Rs. 26,897 million) indicating a decrease of 25.57%.

**Chart 4- Profitability of Insurance Companies**



### **Insurers**

Out of twenty-eight (28) Insurance Companies (Insurers) in operation as at 31<sup>st</sup> December 2023, fourteen (14) companies are engaged in Long-Term (Life) Insurance Business, twelve (12) companies are engaged in General Insurance Business and two (02) companies function as composite companies (transacting in both Long Term and General Insurance Businesses).

### **Insurance Brokers**

Seventy-eight (78) insurance brokering companies were registered with the Commission as at 31<sup>st</sup> December 2023. Total Assets of insurance brokering companies have increased to Rs. 12,378 million as at the end of 4<sup>th</sup> Quarter 2023, when compared to Rs. 9,689 million recorded at the same period of 2022, indicating a significant Growth of 27.75%.

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