

PRESS RELEASE

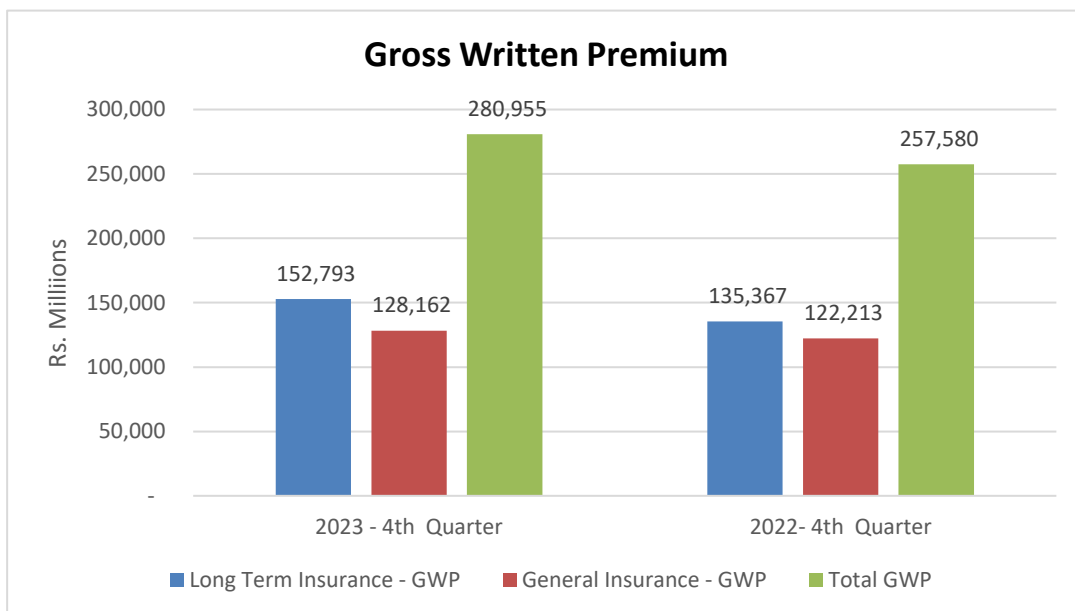
Performance of the Insurance Industry - Q4, 2023 amended

Gross Written Premium

The total Gross Written Premium (GWP) of the insurance industry for Long Term and General Insurance Businesses for the period ended 31st December 2023 was Rs. 280,955 million (Q4, 2022: Rs.257,580 million), recording a growth of 9.07%. The premium increase is Rs. 23,375 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. 128,162 million (Q4, 2022: Rs. 122,213 million) recording a growth of 4.87%.

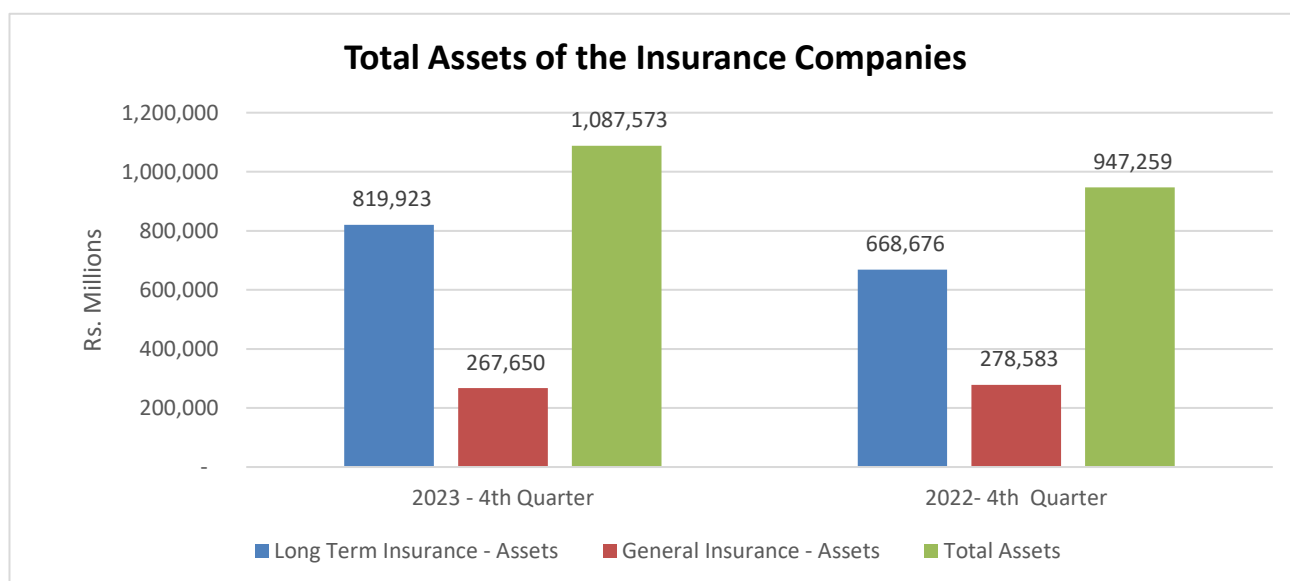
Chart 1- Gross Written Premium Income



Total Assets

The value of the total assets of insurance companies has increased to Rs. 1,087,573 million at the end of 4th Quarter 2023, when compared to Rs. 947,259 million recorded as at the end of Q4 2022, reflecting a growth of 14.81%. 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. 267,650 million (Q4, 2022: Rs. 278,583 million) showing a marginal decline of 3.92%.

Chart 2- Total Assets



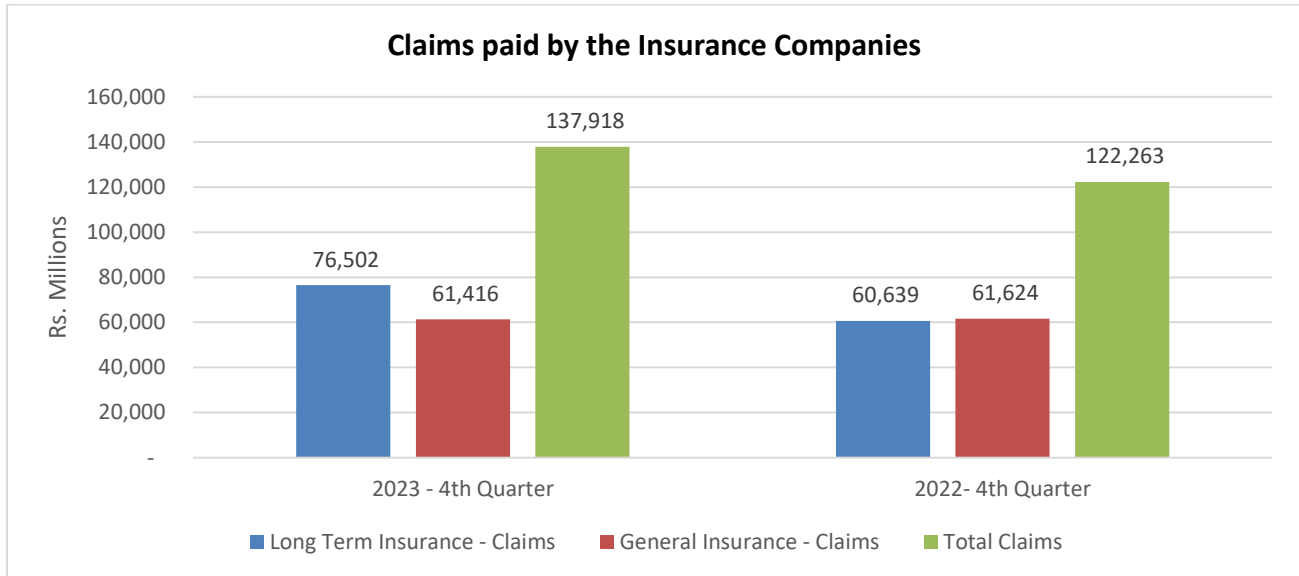
Investment in Government Securities

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. 77,382 million (Q4, 2022: Rs. 88,899 million) representing 45.78% of the total investment of General Insurance and decreased by 12.96%. Accordingly, the total investment in Government Securities in the two businesses for the period ended Q4, 2023 amounted to Rs. 503,552 million (Q4, 2022: Rs. 413,262 million), showing an overall increase of 21.85%.

Claims incurred by Insurance Companies

Claims incurred by insurance companies in both the Long-Term Insurance Business and General Insurance Business were Rs. 137,918 million (Q4, 2022: Rs. 122,263 million) showing an increase of 12.80% 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. 61,416 million (Q4, 2022: Rs. 61,624 million). Hence, during the 4th quarter of 2023, claims incurred in Long Term Insurance increased by 26.16% and claims incurred in General Insurance decreased by 0.34%, when compared to the same period in 2022.

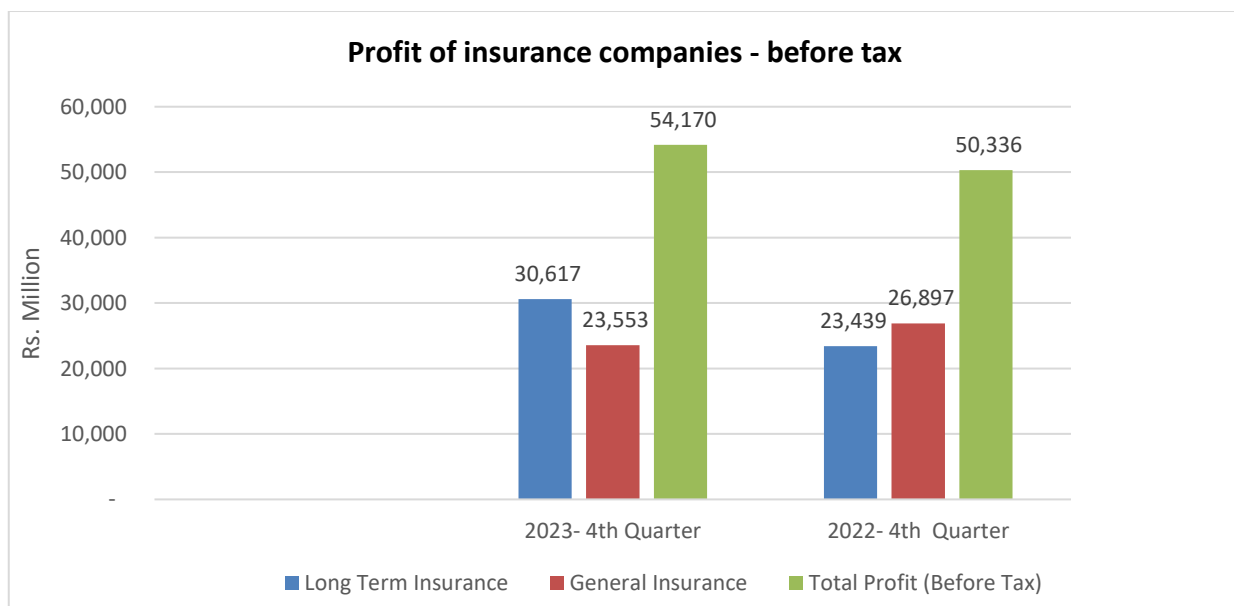
Chart 3- Claims incurred by Insurance Companies



Profit (Before Tax) of Insurance Companies

The Profit Before Tax (PBT) of insurance companies as at the end of 4th Quarter 2023 in both Long-Term Insurance Business and General Insurance Business amounted to Rs. 54,170 million (Q4, 2022: Rs. 50,336 million) showing a slight increase in total profit amount by 7.62%. 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. 23,553 million (Q4, 2022: Rs. 26,897 million) indicating a decrease of 12.43%.

Chart 4- Profitability of Insurance Companies



Insurers

Out of twenty-eight (28) Insurance Companies (Insurers) in operation as at 31st 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 31st December 2023. Total Assets of insurance brokering companies have increased to Rs. 12,378 million as at the end of 4th Quarter 2023, when compared to Rs. 9,689 million recorded at the same period of 2022, indicating a significant Growth of 27.75%.

Insurance Regulatory Commission of Sri Lanka

Level 11, East Tower

World Trade Centre

Colombo 01

Website: www.ircs.l.gov.lk	Email: info@ircs.l.gov.lk
Telephone: 011 2396184 - 9	Fax: 011 2396190

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