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**ANALYSIS OF NON-LIFE INSURANCE  
COMPANIES IN PAKISTAN FOR THE  
HALF YEAR ENDED 30<sup>th</sup> June 2017**

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# INTRODUCTION



We have analyzed financial statements of twenty (20) Non-Life Insurance Companies whose financials were available. All information was not available for all companies and hence the information available is provided and analyzed. Companies undergoing management or financial changes having outlier and insignificant results were excluded

## **Companies Included in the analysis**

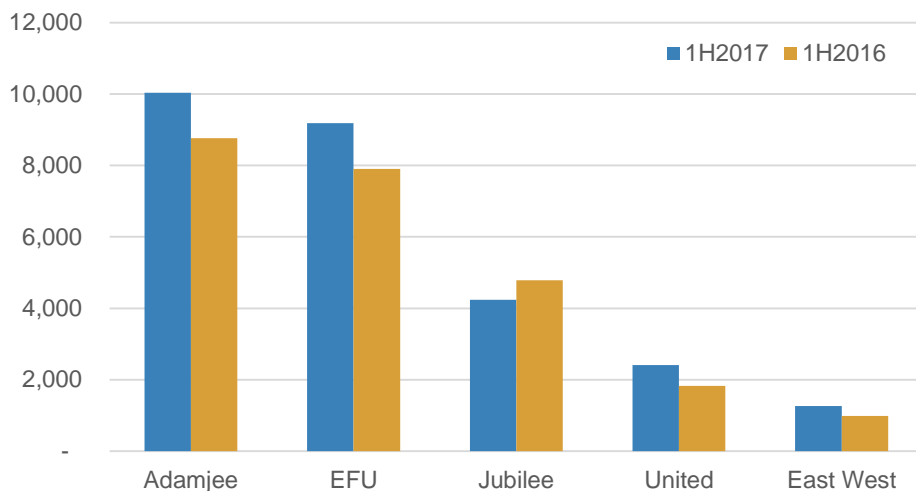
1	Adamjee Insurance	12	TPL Direct Insurance
2	EFU General Insurance	13	Premier Insurance
3	Jubilee General Insurance	14	Century Insurance
4	The United Insurance	15	Saudi Pak Insurance
5	Sindh Insurance	16	Asia Insurance
6	UBL Insurance	17	Alpha Insurance
7	Atlas Insurance	18	Shaheen Insurance
8	Askari General Insurance	19	The Crescent Star Insurance
9	Alfalah Insurance	20	The Universal Insurance
10	Habib Insurance	21	PICIC Insurance
11	East West Insurance		

**For further information contact us at [info@paragonact.com](mailto:info@paragonact.com)**

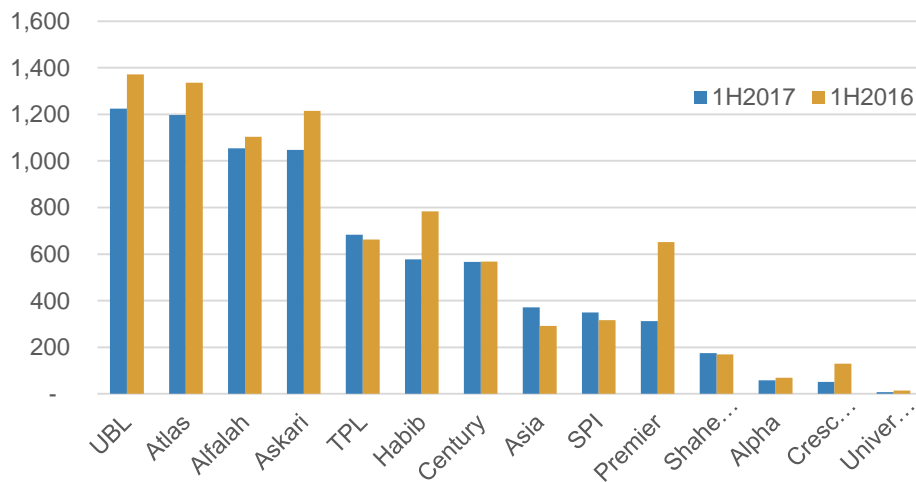
# GROSS WRITTEN PREMIUM



PKR (Million) Gross Written Premium (Top 5)



PKR (Million) Gross Written Premium (Others)



**Total Gross Premium Written by the 19 insurance companies showed an increase of 6% from PKR 32.9 billion to PKR 34.8 billion**

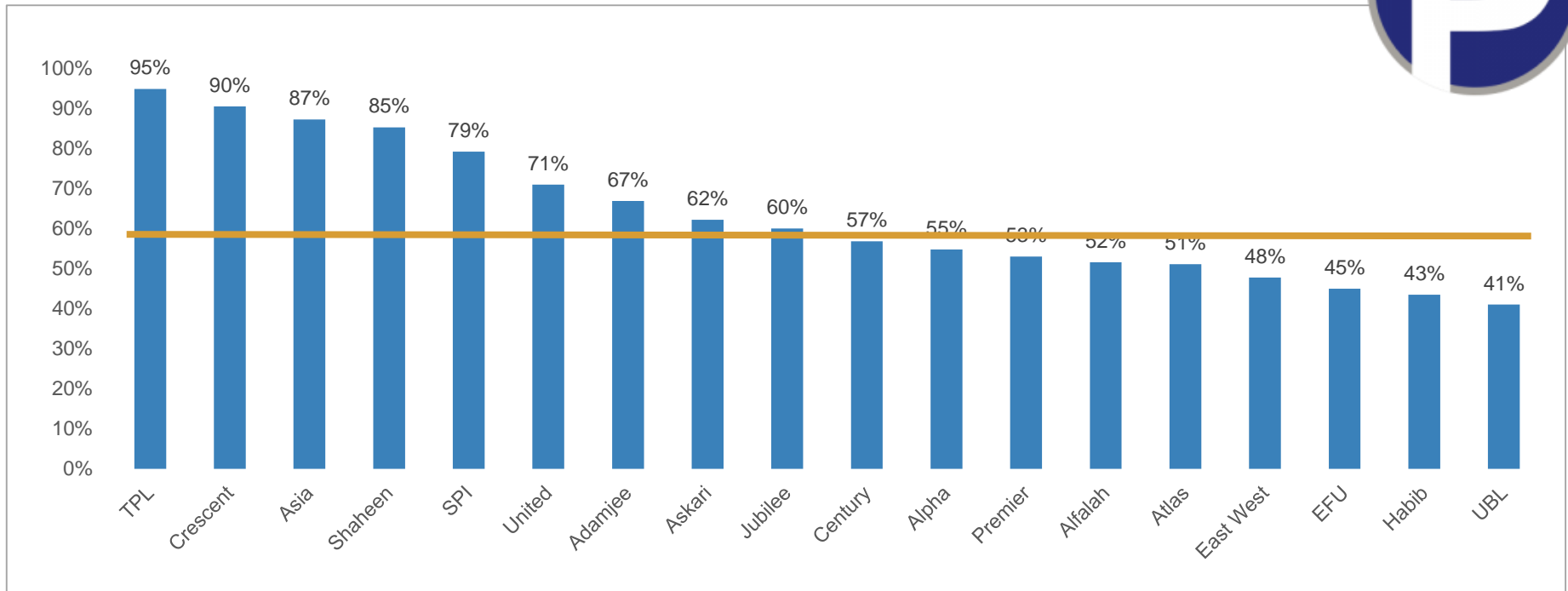
Highest growth is observed for United Insurance at 32%, followed by

- East West 28%
- Asia 28%
- EFU 16%
- Adamjee 15%
- SPI 10%
- Shaheen 3%
- TPL 3%

Negative growth (-14%) is observed for remaining insurance companies where written premium has decreased in each case

*Results for IGI Insurance one of the Key Players are not available to date*

# RETENTION RATIO



**Highest retention ratio is shown by TPL at 95%**

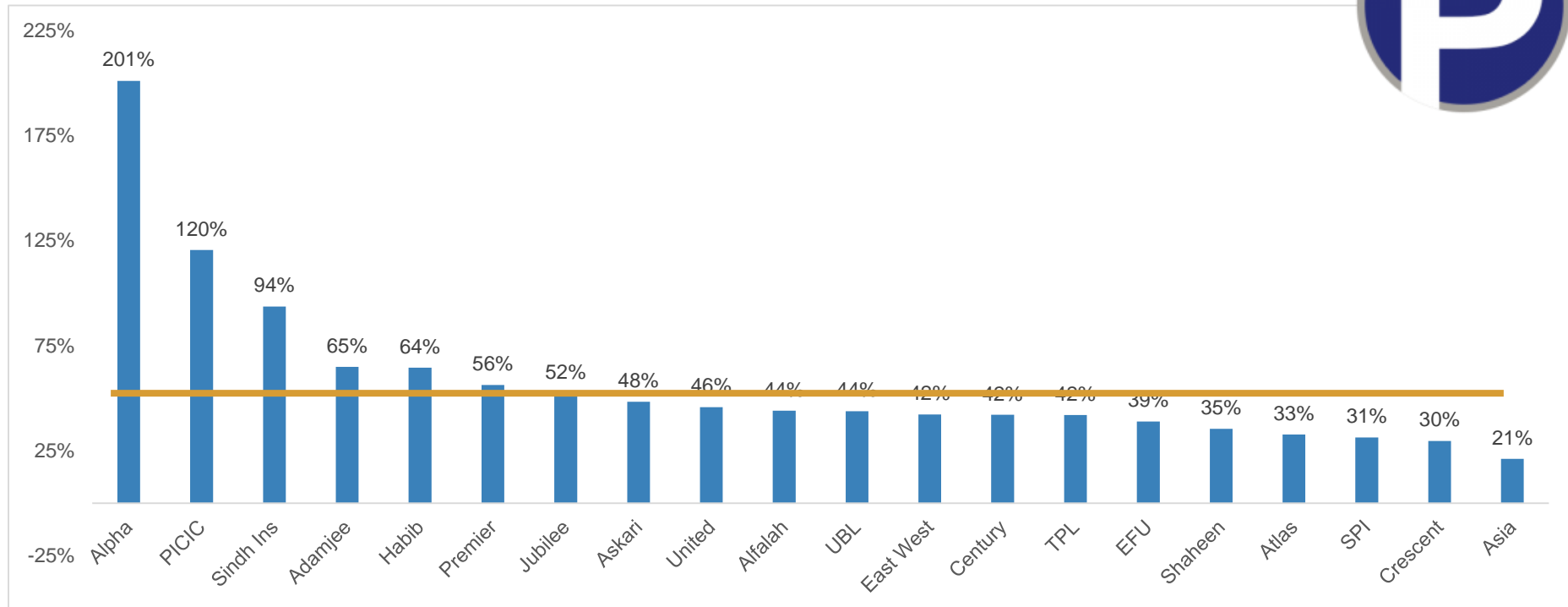
**The lowest retention ratio of 41% is reflected by UBL**

The average retention ratio is 58%

The retention ratios have been calculated as ratio of net earned premium and gross earned premium



# LOSS RATIO



**Highest loss ratio is shown by Alpha Insurance at 201%**

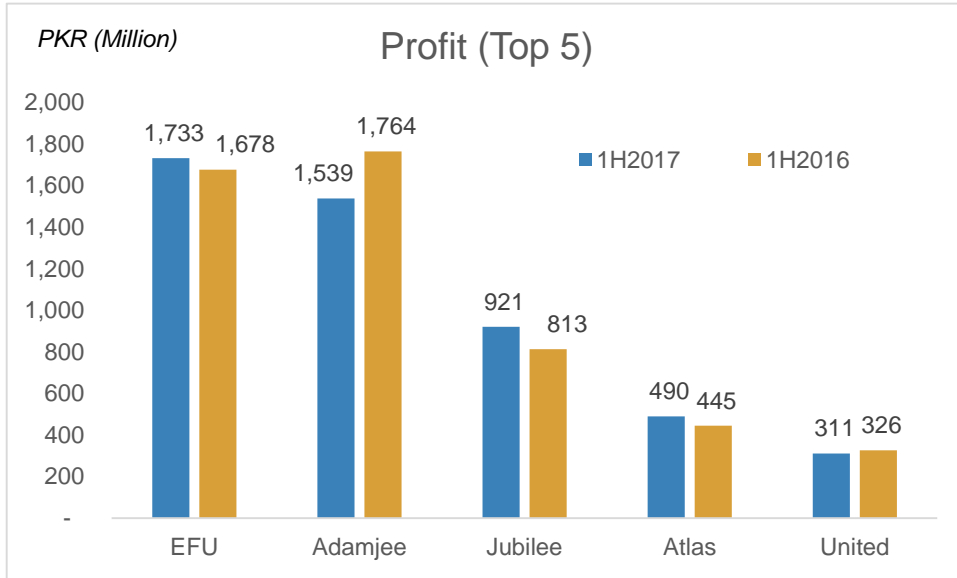
**The lowest loss ratio of 21% is reflected by Asia.** The average loss ratio is 53%

The loss ratios have been calculated as a ratio of net claims and net earned premium





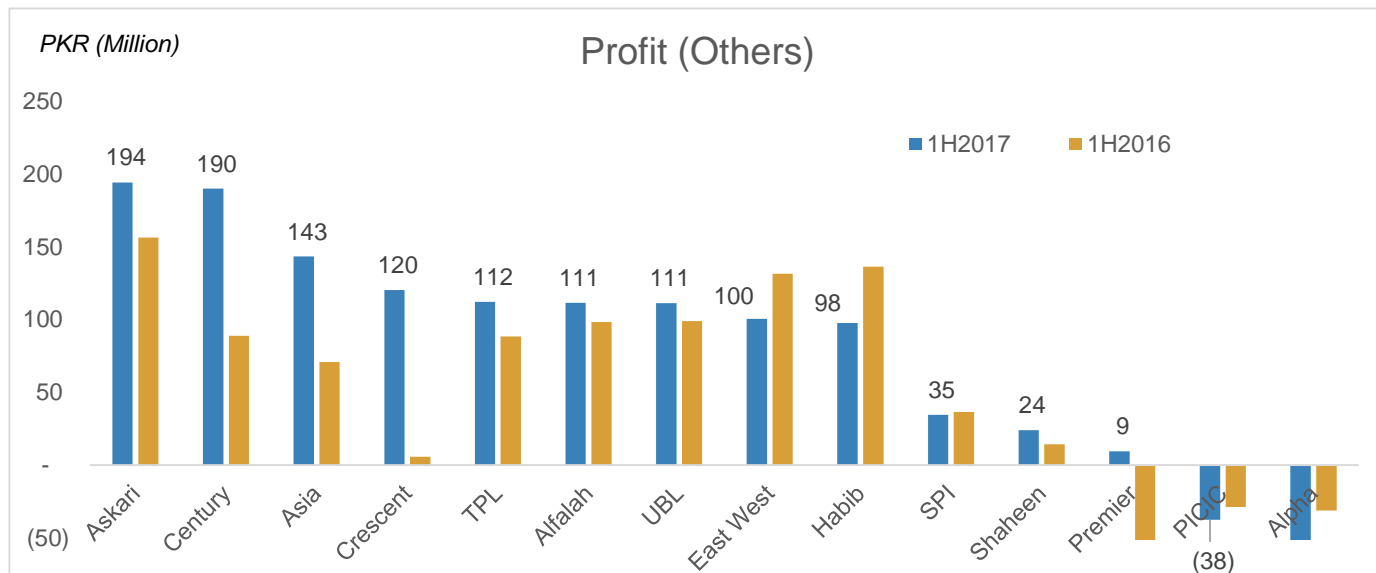
# PROFIT (BEFORE TAX) FOR THE PERIOD



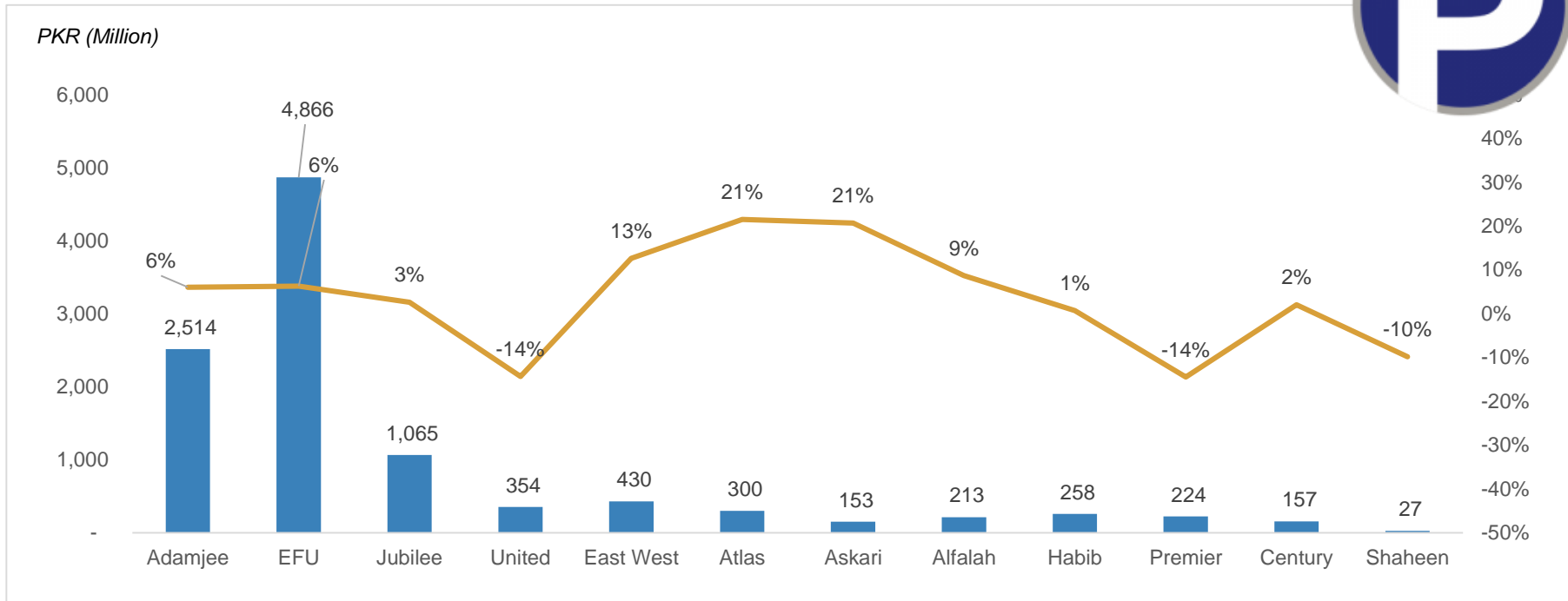
**Highest profit is shown by EFU at 1.73 billion**

Overall the profits have increased from 5.78 billion to 6.20 billion for the first half of year 2017 i.e. an increase of around 7%

The Profit shown is 'Profit Before Tax' as per financial statements



# FIRE - UNDERWRITING PROFIT



**Highest net earned premium is shown by EFU at 4.9 billion, with underwriting profit ratio of 6%**

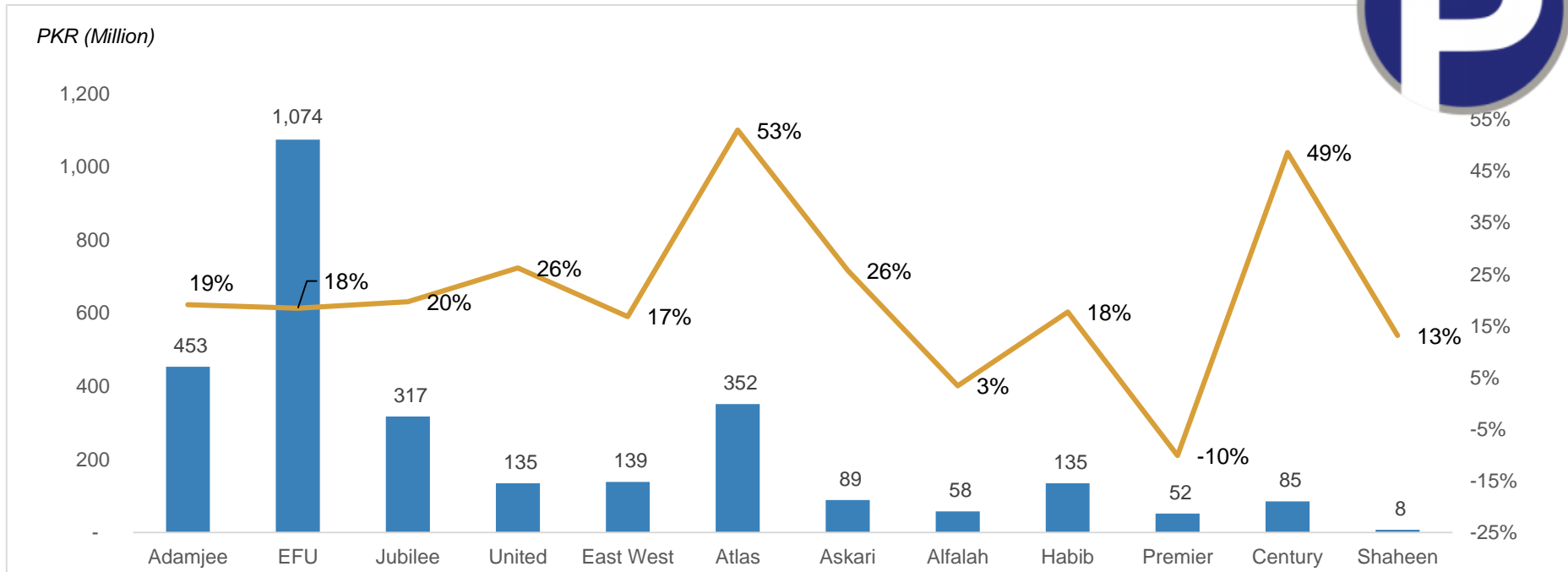
The average underwriting profit ratio is 5%.

The underwriting profit ratio is calculated as a ratio of underwriting profits and earned premium





# MARINE - UNDERWRITING PROFIT



**Highest net earned premium is shown by EFU at 1.1 billion, with underwriting profit ratio of 18%**

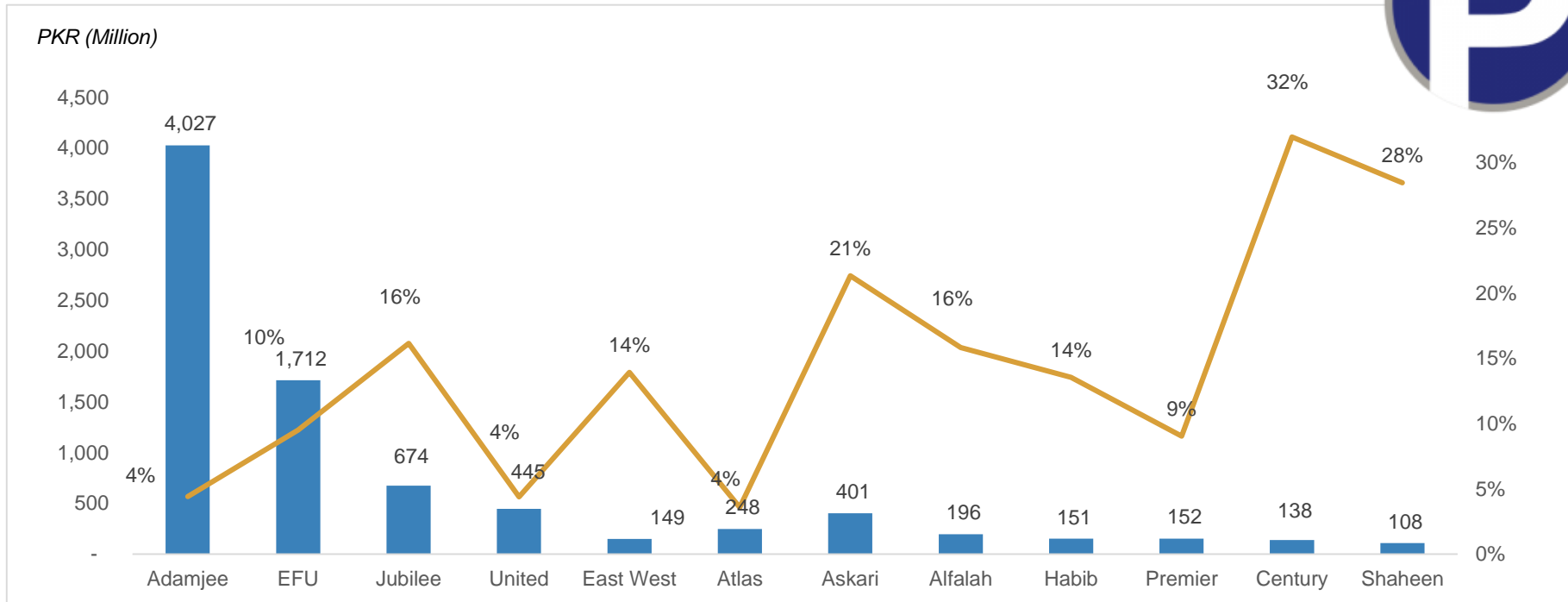
The average underwriting profit ratio is 23%.

For Atlas and Century the underwriting profit ratio is 53% and 49% respectively

The underwriting profit ratio is calculated as a ratio of underwriting profits and earned premium.



# MOTOR - UNDERWRITING PROFIT



**Highest net earned premium is shown by Adamjee at 4.0 bilion, with UW profit ratio of 4%**

The average underwriting profit ratio is 9%.

Maximum underwriting profit is shown by Century at 32% followed by Shaheen and Askari at 28% and 21% respectively

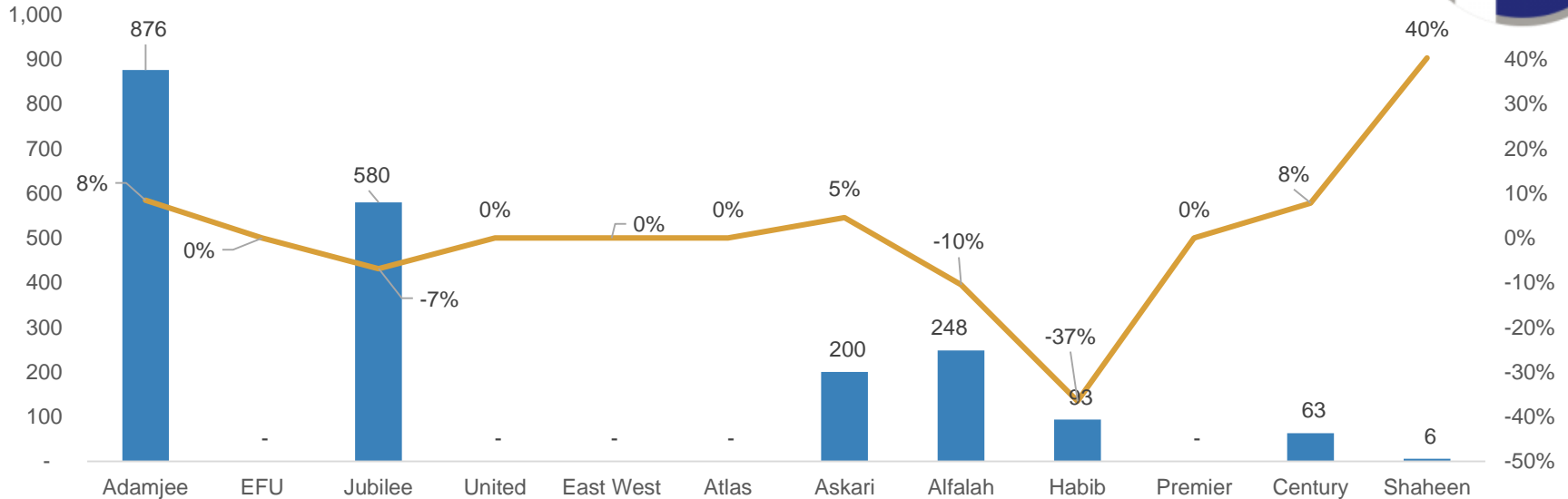
The underwriting profit ratio is calculated as a ratio of underwriting profits and earned premium.



# HEALTH - UNDERWRITING PROFIT



PKR (Million)



**Highest net earned premium is shown by Adamjee at 0.9 bilion, with underwriting profit ratio of 8%**

The average underwriting profit ratio is -0.5%.

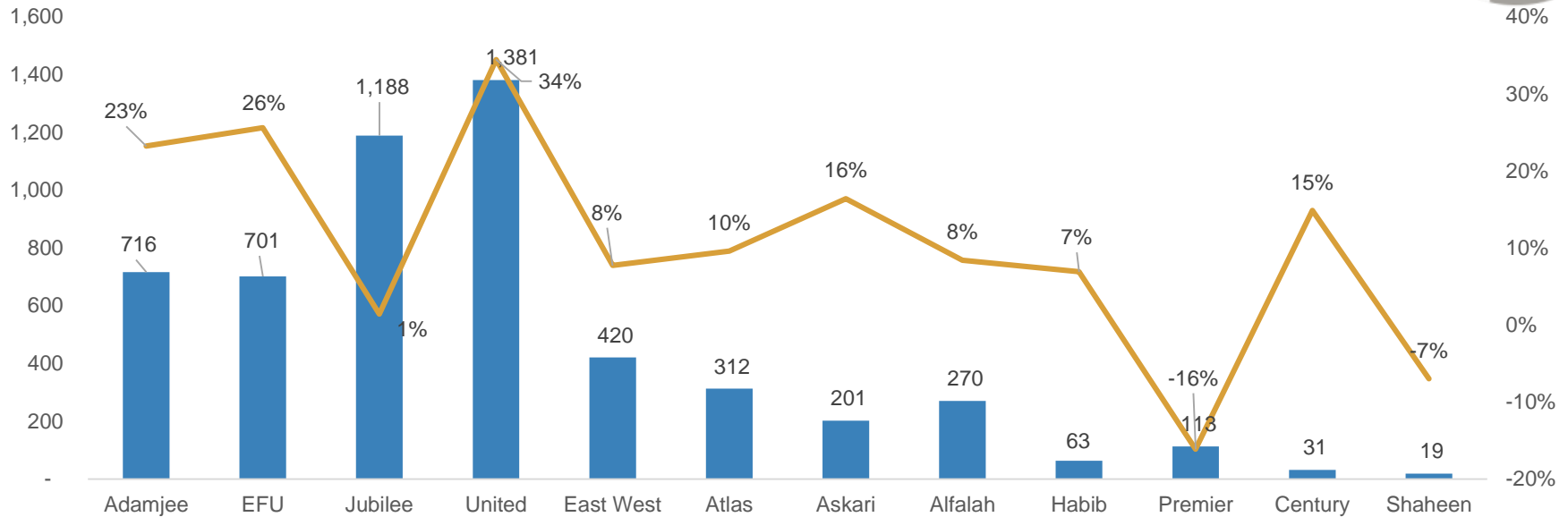
The underwriting profit ratio is calculated as a ratio of underwriting profits and earned premium.



# MISC. (OTHERS) - UNDERWRITING PROFIT



PKR (Million)



**Highest net earned premium is shown by United at 1.4 bilion, with underwriting profit ratio of 34%**

The average underwriting profit ratio is 17%.

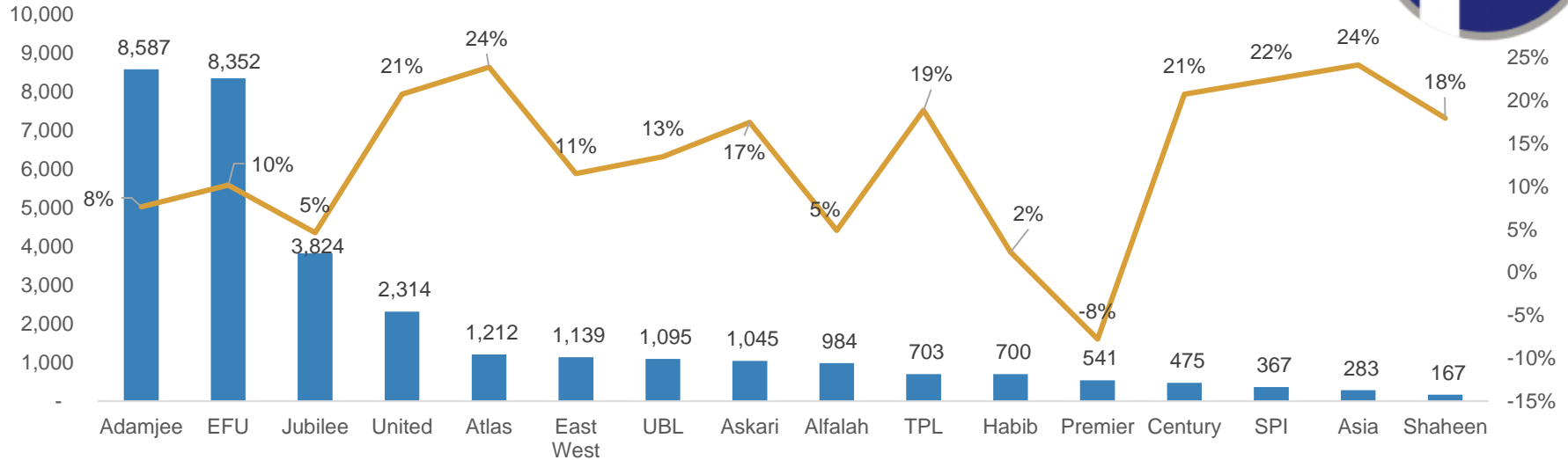
The underwriting profit ratio is calculated as a ratio of underwriting profits and earned premium.



# ALL LINES OF BUSINESS - COMBINED



PKR (Million)



**Highest net earned premium is shown by Adamjee at 8.6 bilion, with underwriting profit ratio of 8%**

The average underwriting profit ratio is 10%.

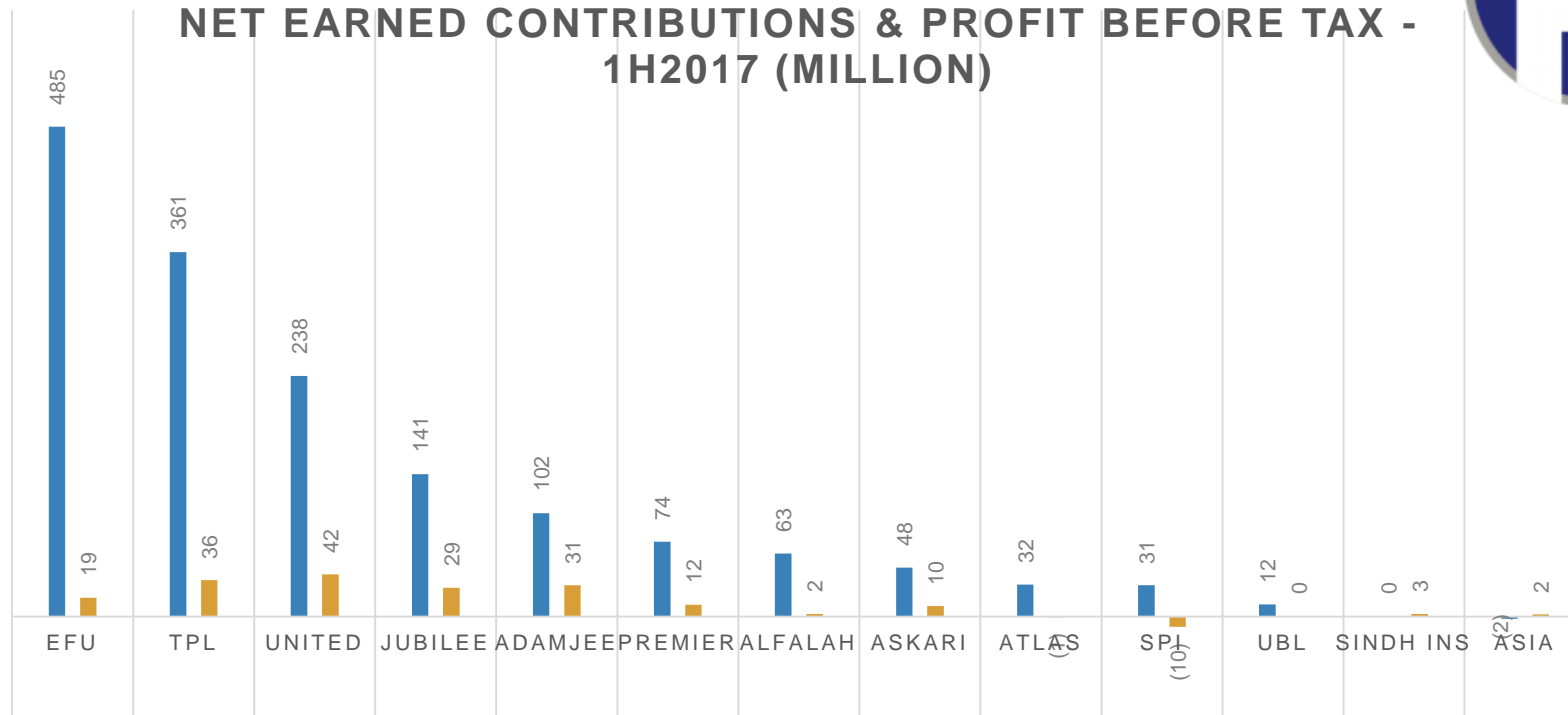
The underwriting profit ratio is calculated as a ratio of underwriting profit and earned premium.



# TAKAFUL WINDOW



## NET EARNED CONTRIBUTIONS & PROFIT BEFORE TAX - 1H2017 (MILLION)



**Highest net earned contributions were written by EFU during the period**

The main line of business for takaful window operation has been motor followed by health (per the available information)

Highest profit is reported by United followed by TPL. While, SPI and Atlas have reported a loss



# CONCLUSION



Total premiums written, by the nineteen (19) non-life insurance companies, in the first half of year 2017, amounts to PKR 34.8 billion, as compared to the premium written in the corresponding period in 2016 of PKR 32.9 billion which shows a growth of 6%. The premium retention ratio is 58%

Average loss ratio for all companies analyzed is 53% , while average underwriting profit ratio is 10%

Total profit/loss (before tax) generated for the period amounted to PKR 6.2 billion compared to the profit of PKR 5.8 billion for the corresponding period of 2016, an increase of 7%

Net earned contributions from Takaful window operations are PKR 1.6 billion for the period, for the 13 companies with available information

*Thank  
you*

# ABOUT PARAGON



## ▷ Vision

To become the trusted partner of our clients for actuarial advice

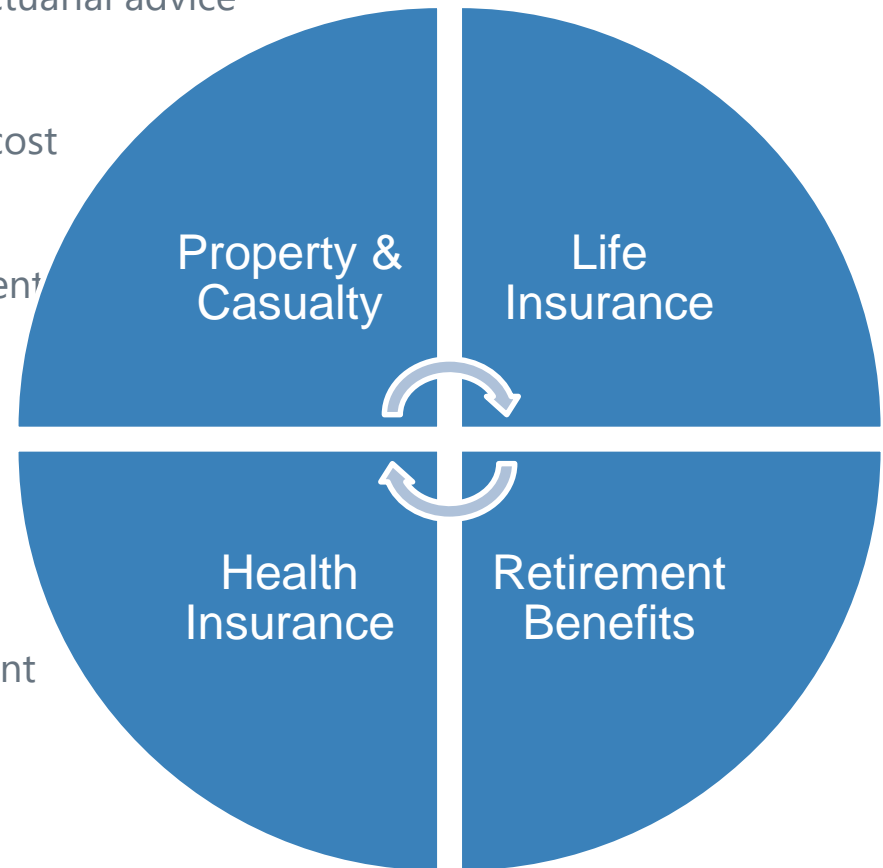
## ▷ Mission

To provide quality actuarial services at affordable cost

We provide a full range of actuarial and management consulting services to clients in the areas of

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