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ANALYSIS OF NON-LIFE  
INSURANCE COMPANIES IN  
PAKISTAN FOR THE HALF YEAR  
ENDED 30<sup>th</sup> June 2018

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# INTRODUCTION



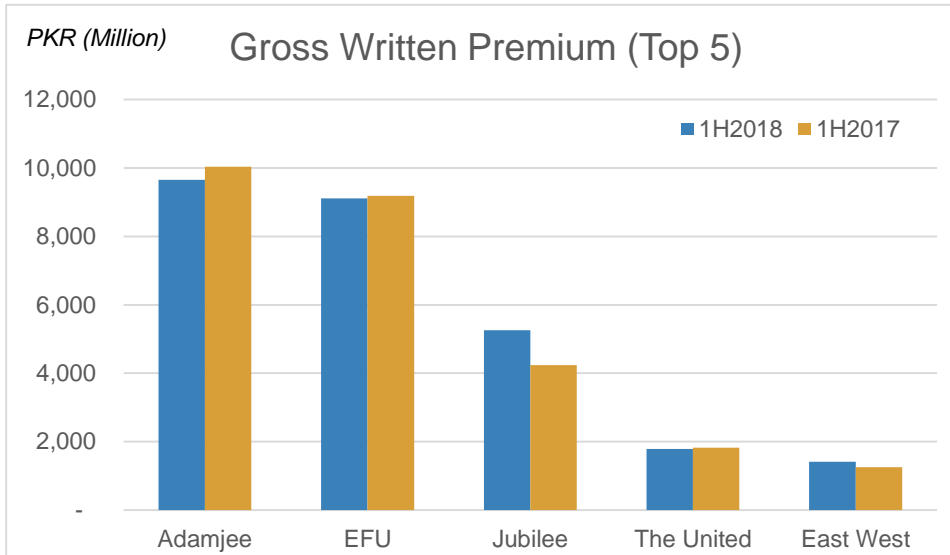
We have analyzed financial statements of sixteen (16) Non-Life Insurance Companies whose financials were available. All information was not available for all companies and hence the information available is provided and analyzed. Companies undergoing management or financial changes having outlier and insignificant results were excluded

## **Companies Included in the analysis**

1	Adamjee Insurance	9	East West Insurance
2	EFU General Insurance	10	TPL Direct Insurance
3	Jubilee General Insurance	11	Premier Insurance
4	The United Insurance	12	Century Insurance
5	UBL Insurance	13	Asia Insurance
6	Atlas Insurance	14	Shaheen Insurance
7	Askari General Insurance	15	The Crescent Star Insurance
8	Habib Insurance	16	The Universal Insurance

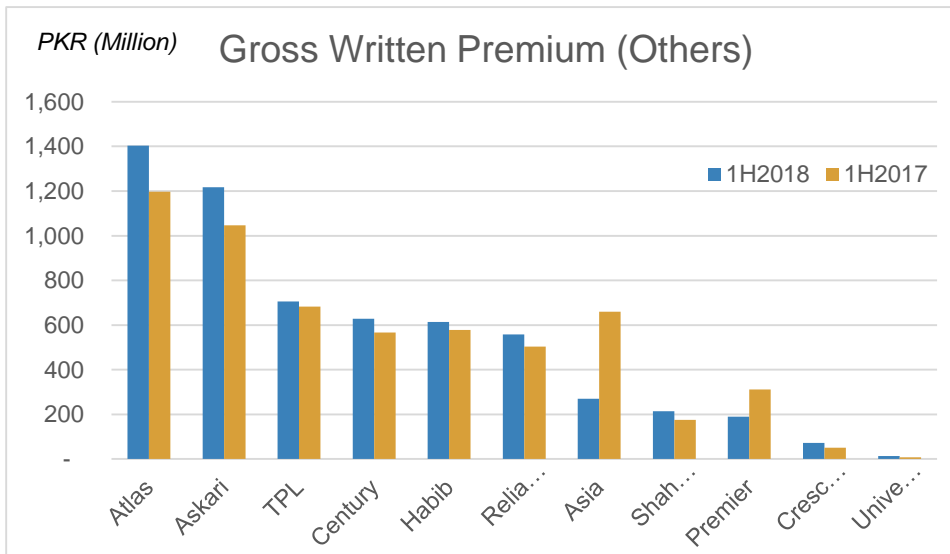
**For further information contact us at [info@paragonact.com](mailto:info@paragonact.com)**

# GROSS WRITTEN PREMIUM



**Total Gross Premium Written by the 16 insurance companies showed an increase of 2.4% from PKR 32.3 billion to PKR 33.0 billion**

Among the Top-5 major increase in GWP is observed for Jubilee (24.0%) and East West (12.4%)

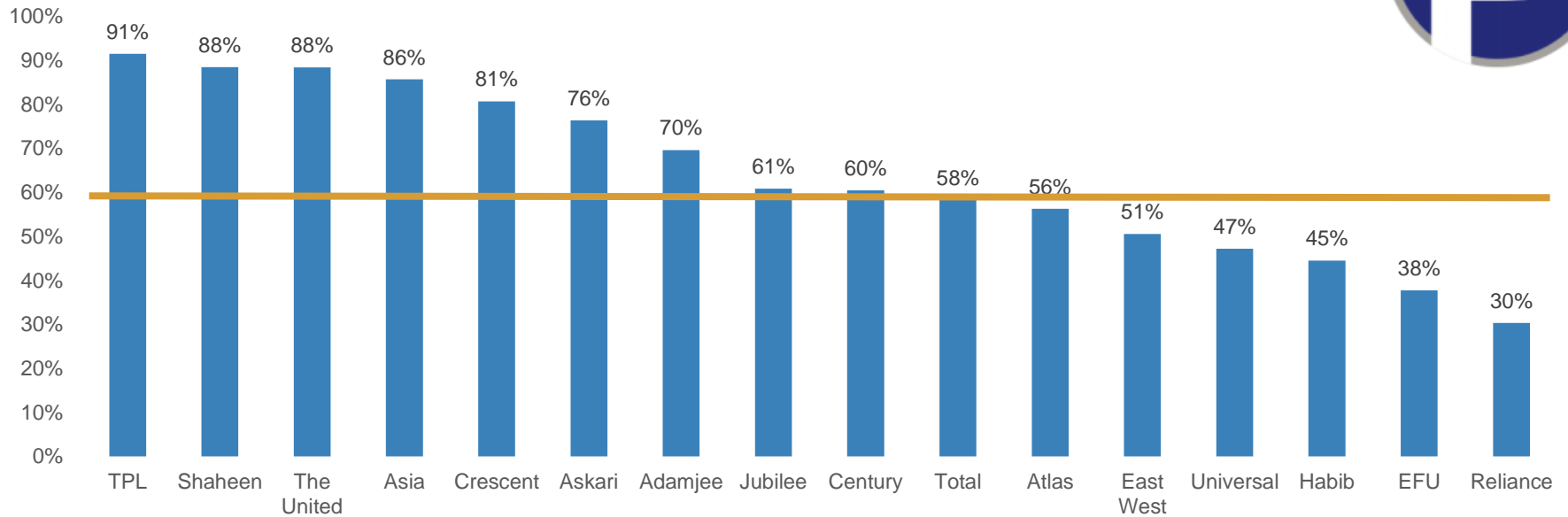


Negative growth is observed for

- Asia 59%
- Premier 39%
- Adamjee 4%
- United 2%
- EFU 1%

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

# RETENTION RATIO



**Highest retention ratio is shown by TPL at 91%**

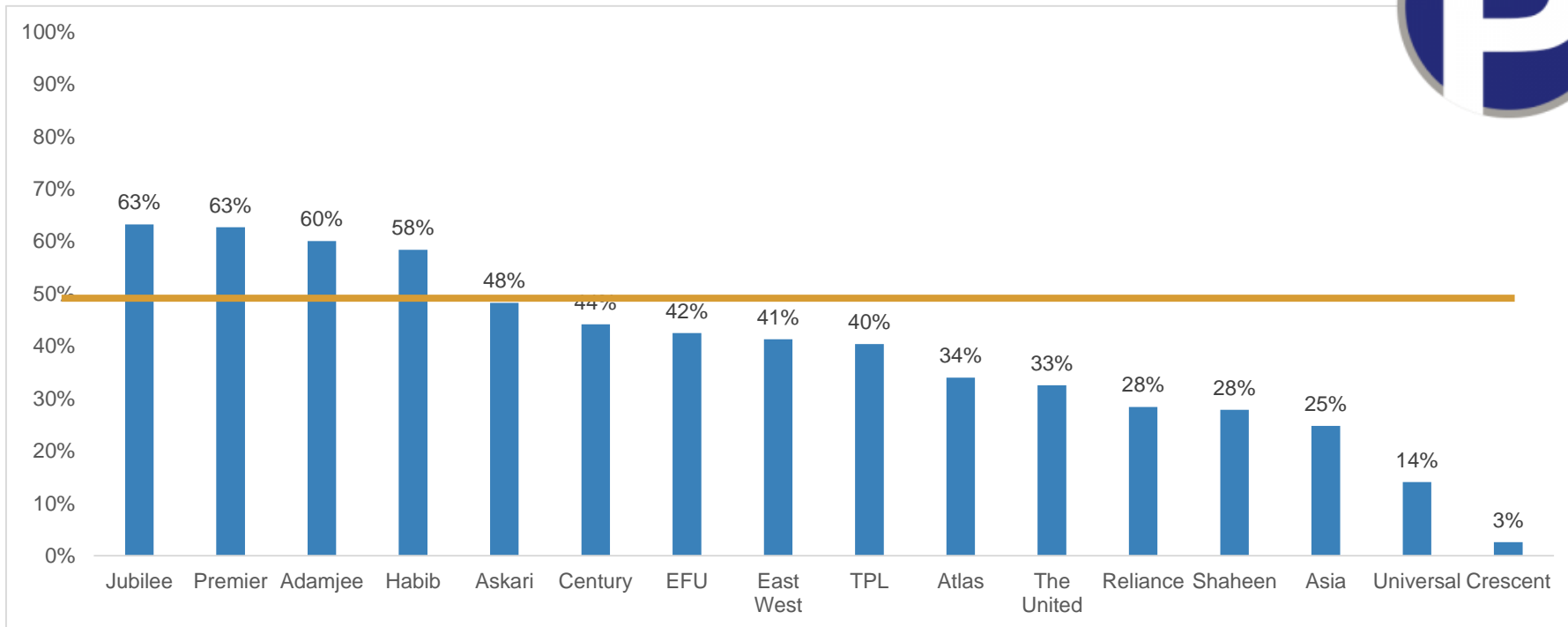
**The lowest retention ratio of 30% is reflected by Reliance**

The average retention ratio is 59%

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



# LOSS RATIO



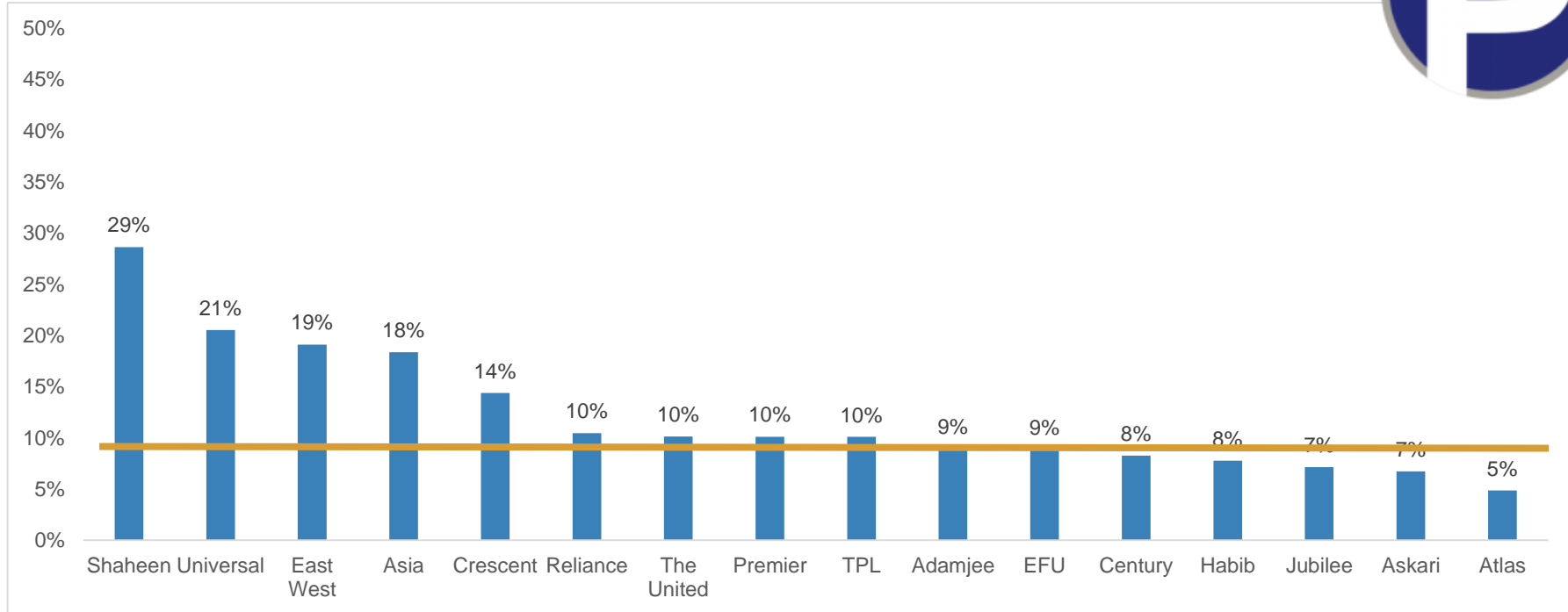
**Highest loss ratio is shown by Jubilee Insurance at 63%**

**The lowest loss ratio of 3% is reflected by Crescent. The average loss ratio is 49%**

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



# COMMISSION RATIO



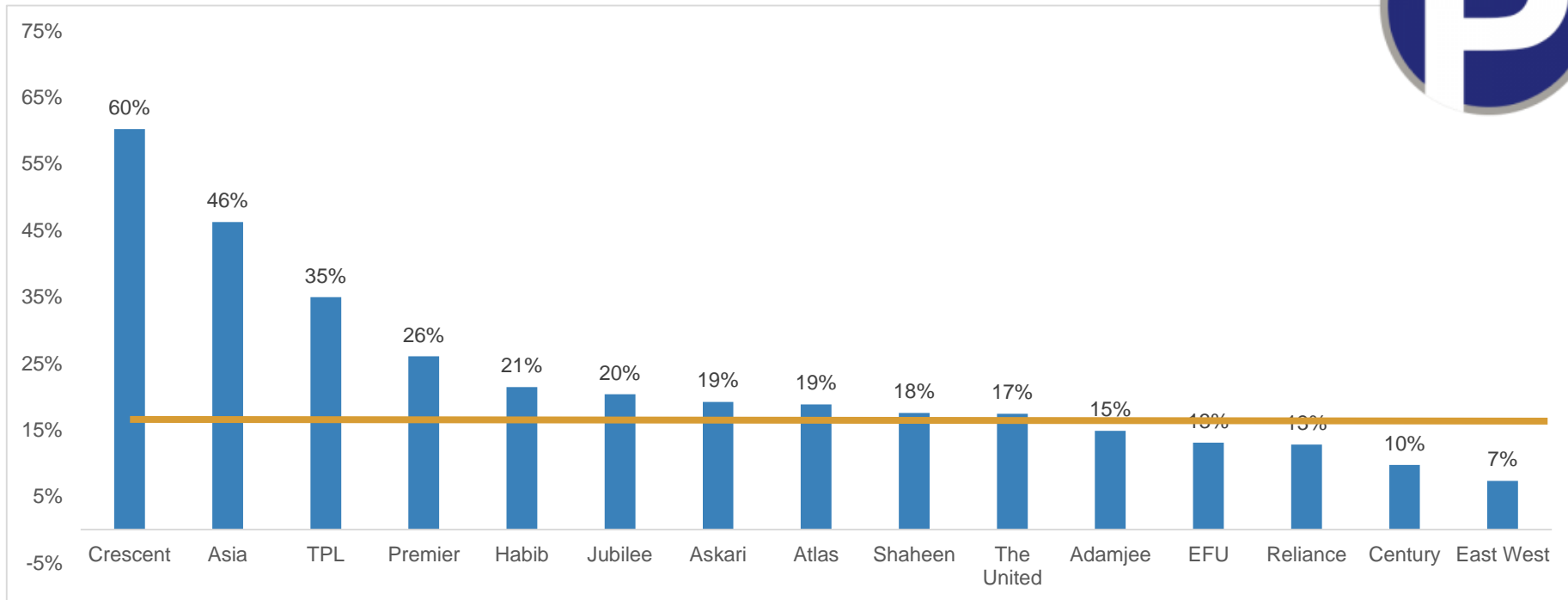
**Highest commission ratio is shown by Shaheen Insurance at 29%, whereas lowest commission ratio of 5% is reflected by Atlas**

The average commission ratio is 9%

The commission ratios have been calculated as ratio of commission expense and gross written premium



# EXPENSE RATIO



**Highest expense ratio is shown by Crescent Insurance at 60%, whereas lowest expense ratio of 7% is reflected by East West**

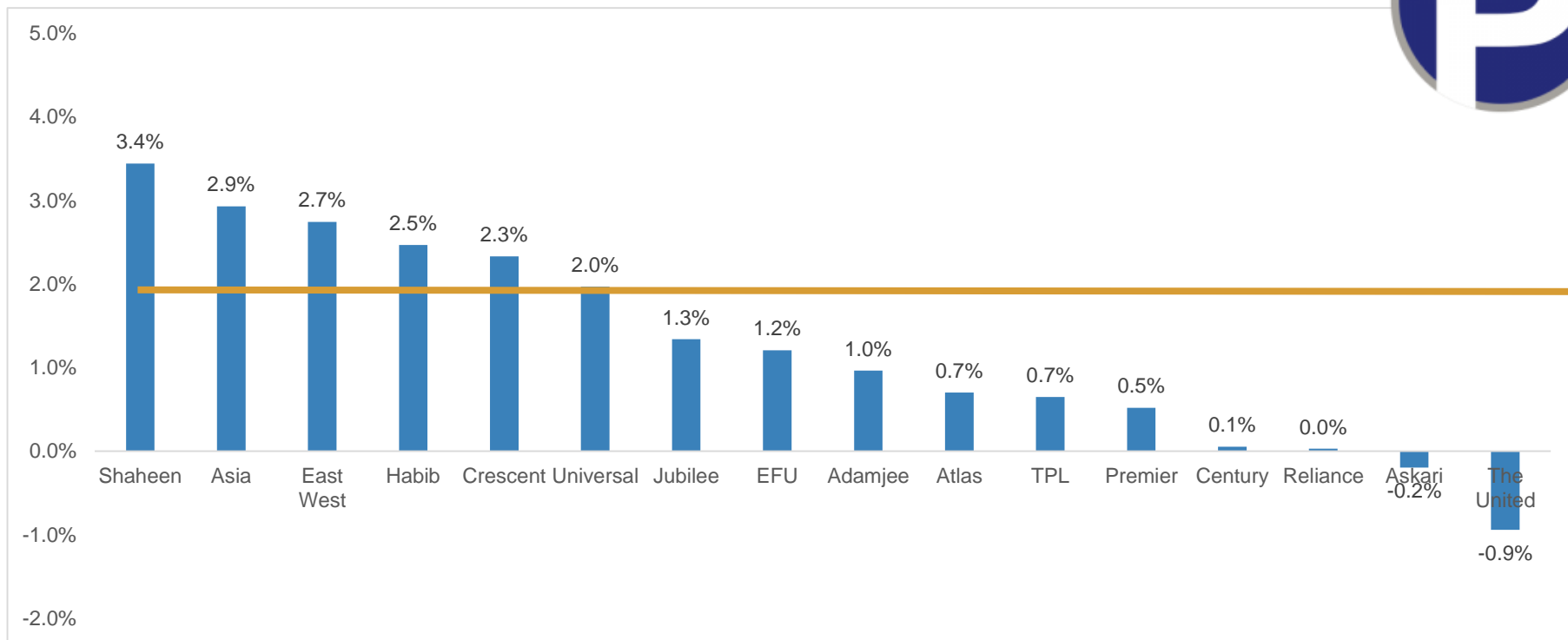
The average expense ratio is 16%

The expense ratios have been calculated as ratio of management expense and gross earned premium





# INVESTMENT RATIO



**Highest investment ratio is shown by Shaheen Insurance at 3.4%, whereas lowest investment ratio of -0.9% is reflected by United Insurance**

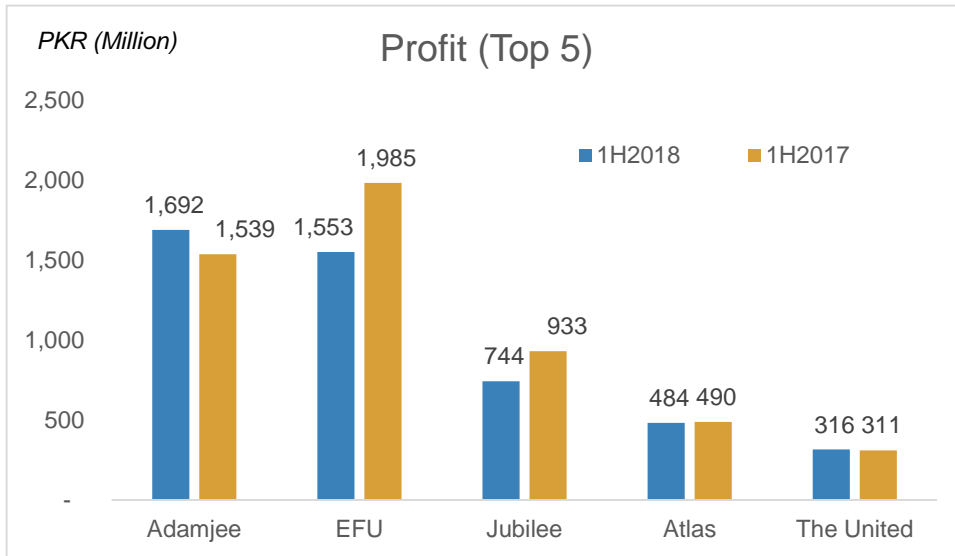
The average investment ratio is 2% for the year

The investment ratios have been calculated as a ratio of investment income and assets at the end of the period





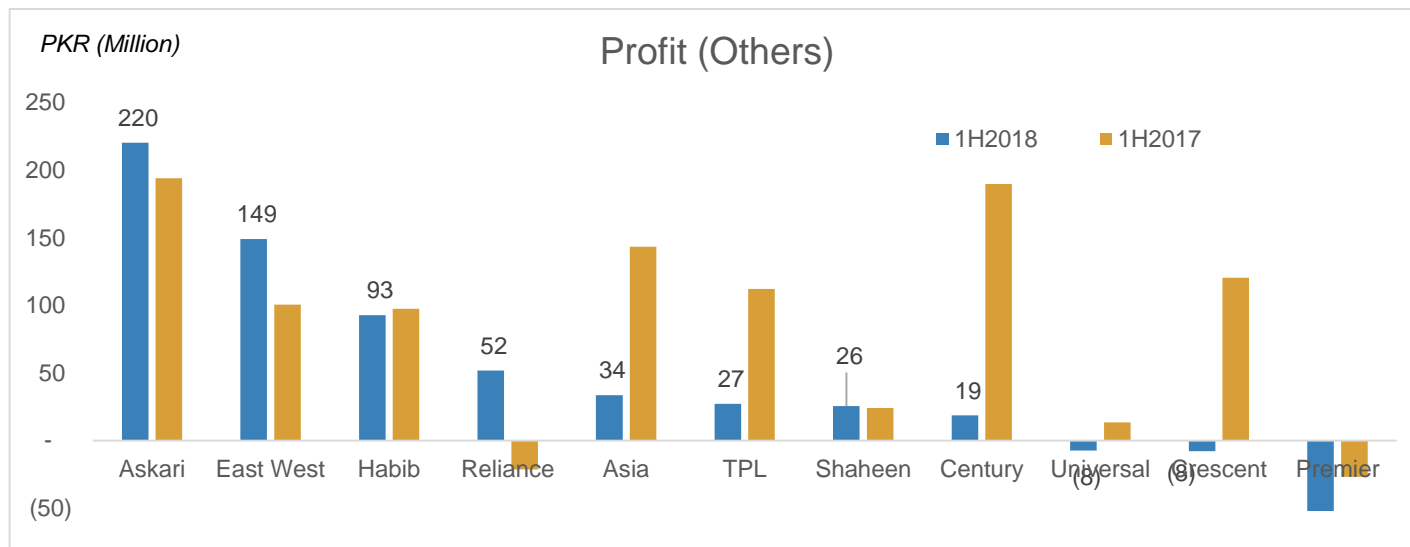
# PROFIT (BEFORE TAX) FOR THE PERIOD



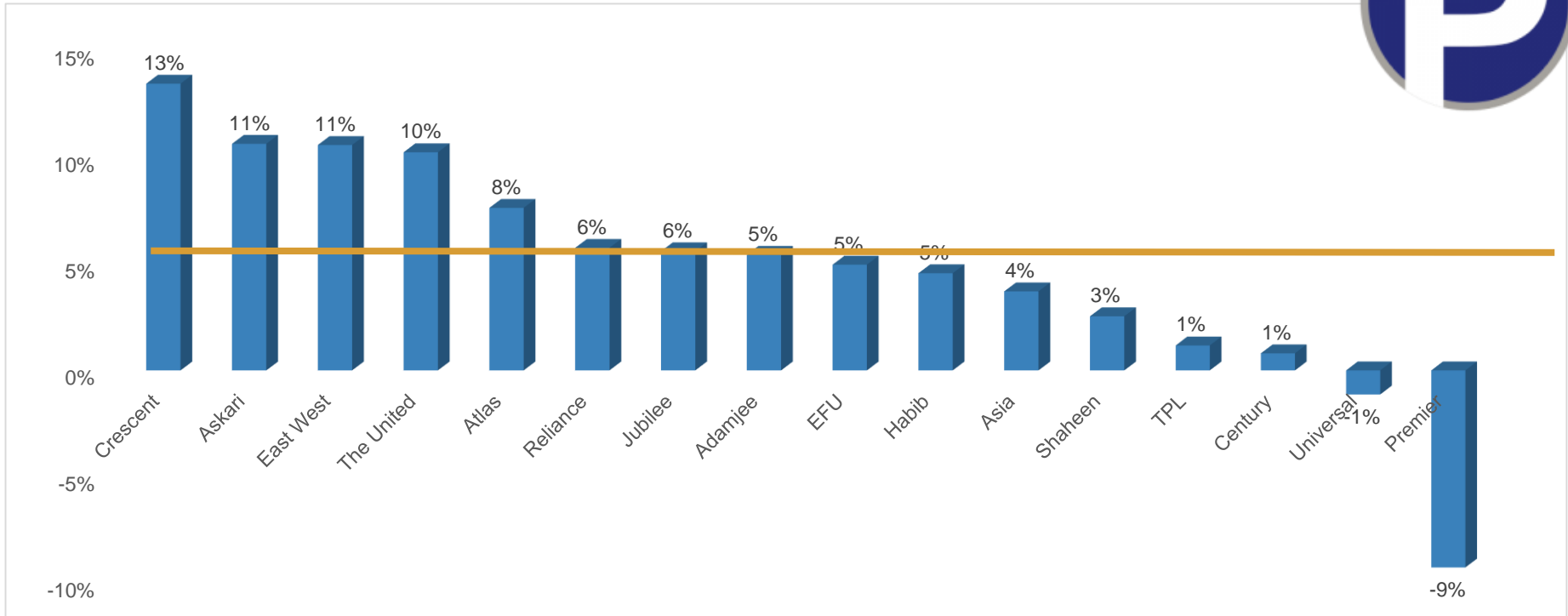
**Highest profit is shown by Adamjee at 1.69 billion**

Overall the profits have decreased from 6.2 billion to 5.3 billion for the first half of year 2018 i.e. a decrease of around 15%

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



# RETURN ON EQUITY



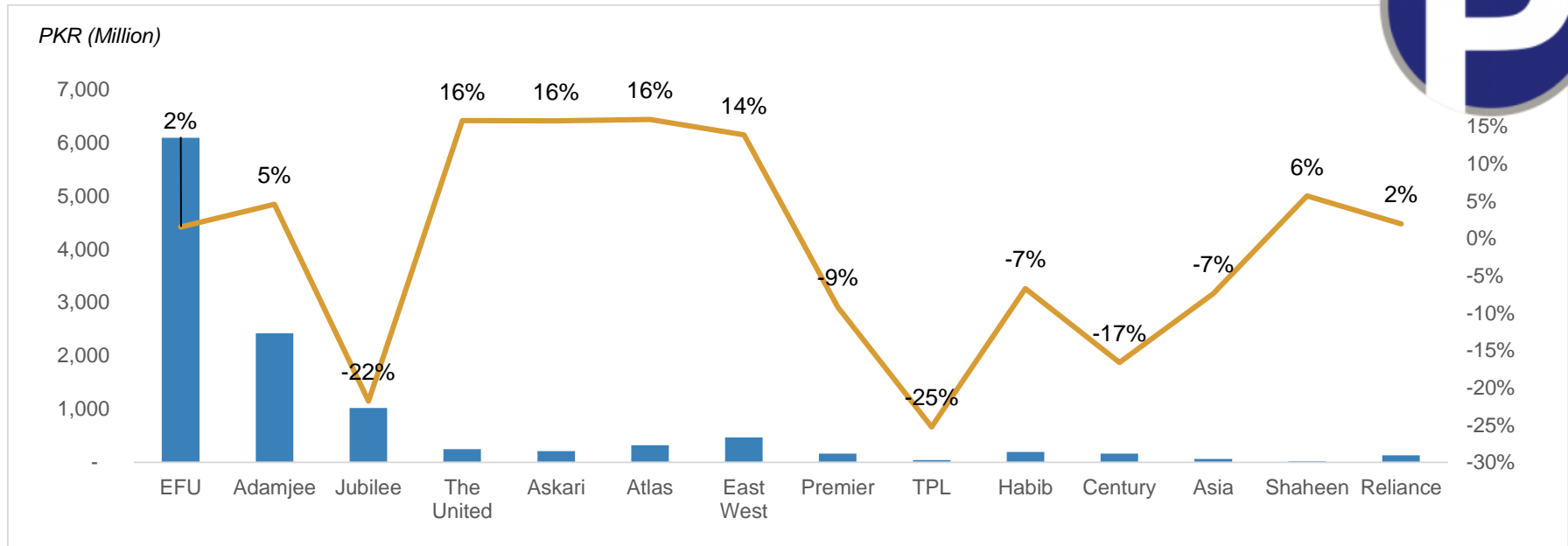
**Highest return on equity is shown by Crescent Insurance at 13%, whereas lowest is reflected by Premier at -9%**

The average return on equity is 5%.

The return on equity has been calculated as ratio of profit after tax and equity at the beginning of period



# FIRE - UNDERWRITING PROFIT



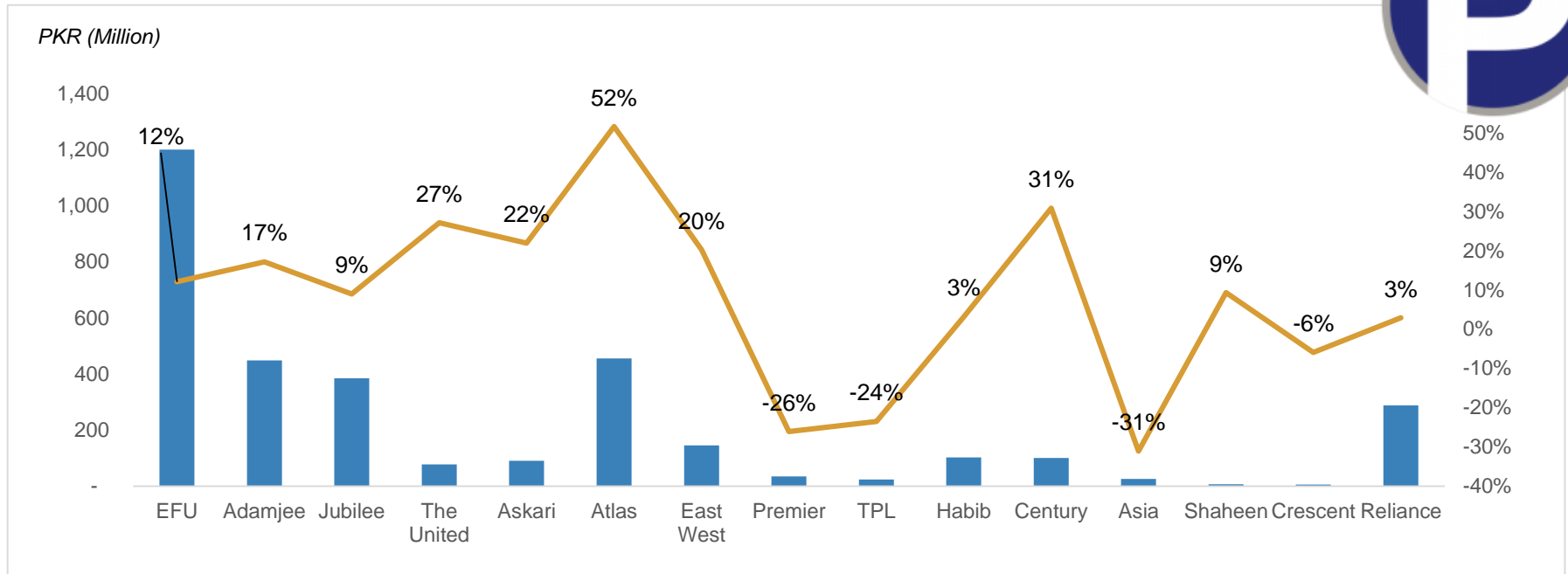
Highest net earned premium is shown by EFU at 6.0 billion, with underwriting profit ratio of 2%

The average underwriting profit ratio is 1%.

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 1.2 billion, with underwriting profit ratio of 12%**

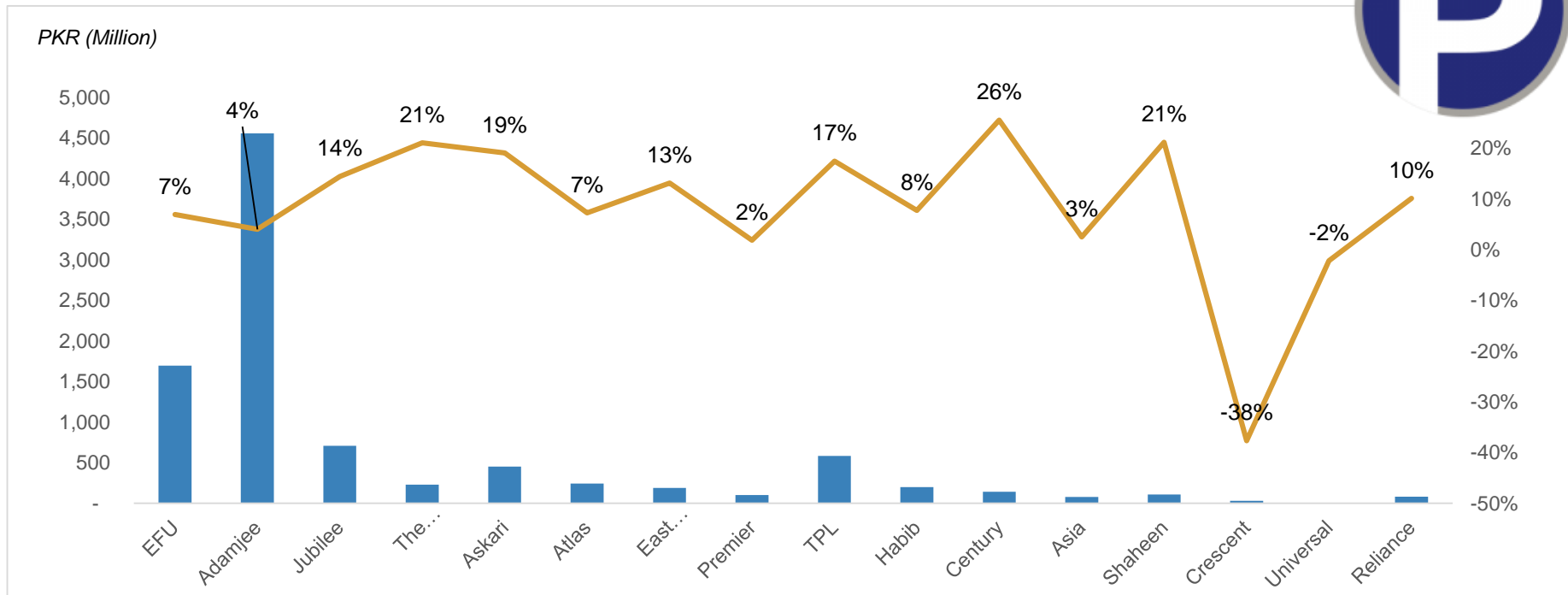
The average underwriting profit ratio is 19%.

For Atlas and Century the underwriting profit ratio is 52% and 31% 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 4.5 billion, with UW profit ratio of 4%

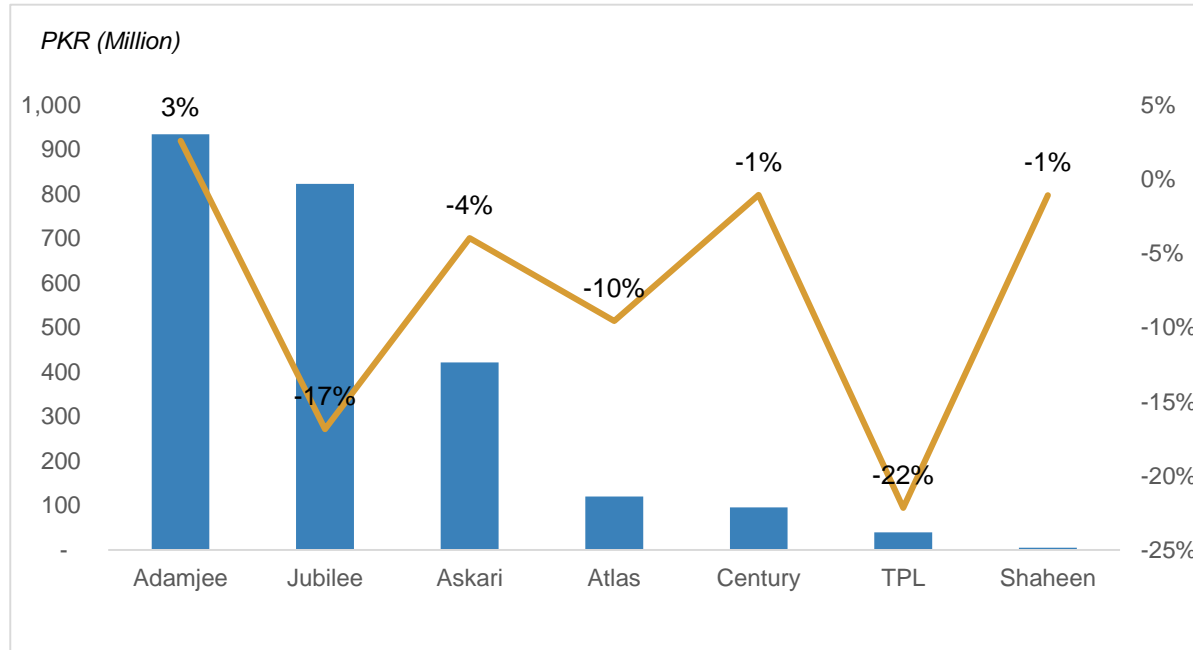
The average underwriting profit ratio is 8%.

Maximum underwriting profit is shown by Century at 26% followed by Shaheen and United at 21%

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



# HEALTH - UNDERWRITING PROFIT



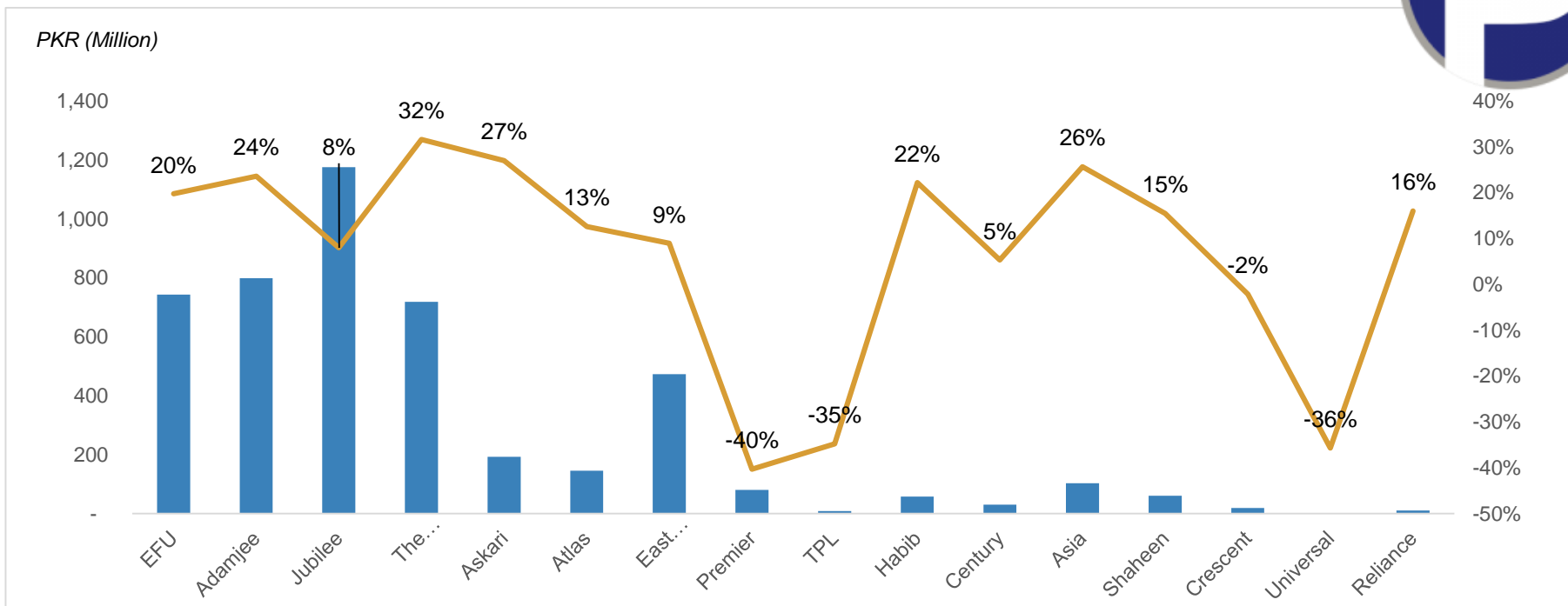
**Highest net earned premium is shown by Adamjee at 0.9 billion, with underwriting profit ratio of 3%**

The average underwriting profit ratio is -6%.

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



# MISC. (OTHERS) - UNDERWRITING PROFIT



**Highest net earned premium is shown by jubilee at 1.2 bilion, with underwriting profit ratio of 8%**

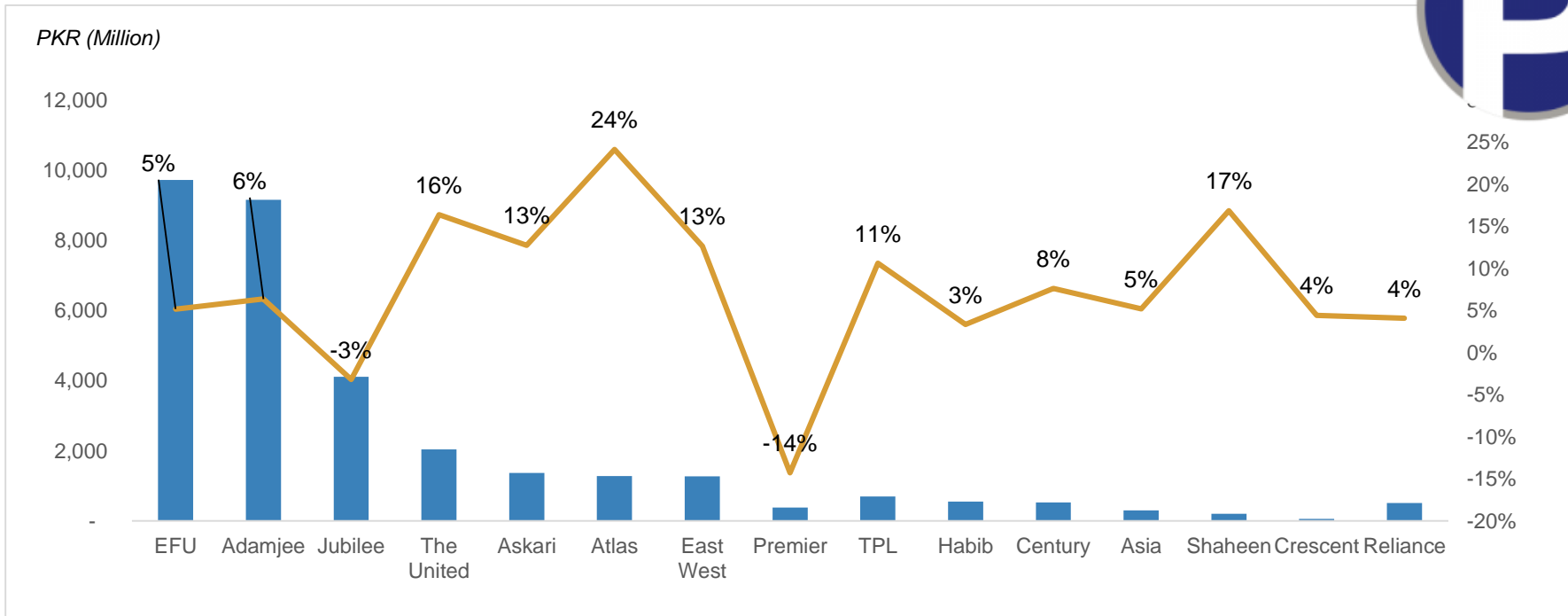
The average underwriting profit ratio is 17%.

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





# ALL LINES OF BUSINESS - COMBINED



**Highest net earned premium is shown by EFU at 9.7 billion, with underwriting profit ratio of 5%**

The average underwriting profit ratio is 7%.

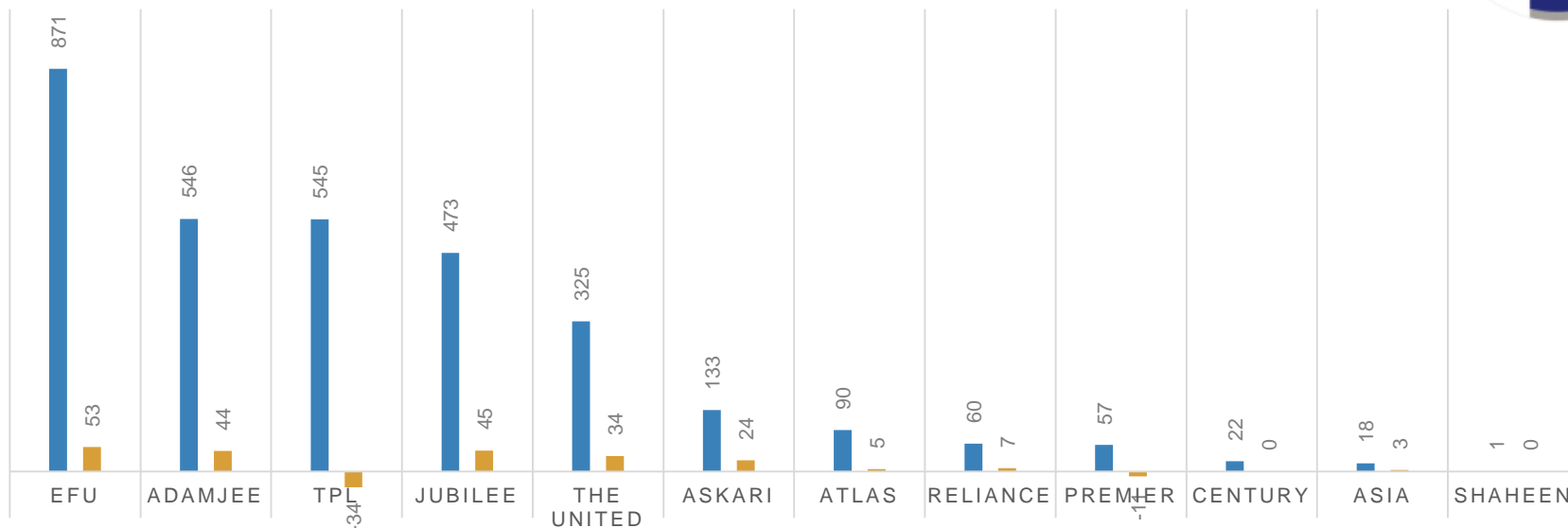
The underwriting profit ratio is calculated as a ratio of underwriting profit and earned premium.



# TAKAFUL WINDOW



GROSS CONTRIBUTION & PROFIT BEFORE TAX - 1H2018 (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 EFU followed by Jubilee.



# ABOUT PARAGON



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