

Market Performance of the Hong Kong Insurance Industry in 2009

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The Office of the Commissioner of Insurance (OCI) today (March 15) released provisional statistics of the Hong Kong insurance industry for 2009.

In 2009, gross and net premiums for general insurance business recorded a growth of 5.7% to \$28.6 billion and 7.1% to \$20.5 billion respectively compared with 2008. Overall underwriting performance also registered improvement from a profit of \$1.5 billion to that of \$2.2 billion for 2009.

On direct business, gross and net premiums gained 5.3% to \$22.7 billion and 6.3% to \$17 billion respectively in 2009. Accident & Health business (comprising Medical business) continued to grow with gross and net premiums reaching \$7.4 billion and \$6.2 billion respectively. Construction-related Employees' Compensation business also boosted with gross and net premiums increased to \$1.8 billion and \$1.5 billion respectively. The overall business growth was nonetheless offset by the decline in Ships business and Goods in Transit business. The former recorded a fall in gross and net premiums to \$963 million and \$624 million respectively and for the latter the gross and net premiums contracted to \$849 million and \$538 million respectively.

The underwriting profit of direct business grew from \$519 million to \$1.4 billion in 2009 as a result of favourable claims experience. Specifically, Property Damage business reported a profit of \$505 million as compared with \$127 million for 2008 when severe losses were inflicted by tropical storms; whilst the underwriting loss for Employees' Compensation business significantly reduced from \$498 million to \$82 million. There was also a material decline in the underwriting loss for Motor Vehicle business primarily due to improvement in claims experience, which was partly attributable to the exclusion of the claims incurred figures of a local insurer placed in provisional liquidation since May 2009 from the statistical data.

On reinsurance inward business, gross and net premiums went up by 7.2% to \$5.8 billion and 10.9% to \$3.5 billion respectively in 2009. Nevertheless, the underwriting profit reduced from \$990 million to \$779 million due to adverse claims experience.

Total revenue premiums of long term in-force business was \$157.1 billion in 2009, decreasing by 5.4% over 2008.

Revenue premiums of Individual Life and Annuity (Non-Linked) business increased by 11.3% to \$91.2 billion whereas Individual Life and Annuity (Linked) business plunged

33.4% to \$37.7 billion. Contributions of Retirement Scheme business grew by 2.2% to \$25.3 billion. Total insurance benefits paid to individuals decreased by 0.1% to \$63.0 billion.

New office premiums (excluding Retirement Scheme business) of long term business for 2009 decreased by 23.3% to \$46.5 billion compared with 2008, mainly due to a reduction in Individual Life and Annuity (Linked) business premiums by 58.3% to \$15.1 billion. This notwithstanding, new office premiums for Individual Life and Annuity (Non-Linked) business increased by 28.7% to \$31.0 billion.

In respect of new policies issued to Mainland visitors, office premiums amounted to \$3.0 billion, representing 6.4% of the total new office premiums (\$46.3 billion) for individual business in 2009.

A summary of provisional statistics of the Hong Kong insurance business for 2009 is at the Annex. Further details can be downloaded from the OCI's website: www.oci.gov.hk

End/Monday, 15 March, 2010

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二零零九年臨時統計數字摘要
Summary on 2009 Provisional Statistics
香港保險業務
Hong Kong Insurance Business

概要 Highlights			
<u>一般業務 General Business</u>	2009 (百萬元)(\$ m)	2008 (百萬元)(\$ m)	變動 Change
毛保費 Gross Premiums	28,550	27,019	5.7%
淨保費 Net Premiums	20,512	19,158	7.1%
承保利潤/(虧損) Underwriting Profit/(Loss)	2,209	1,510	46.3%
<u>長期業務(新造業務#) Long Term Business (New Business #)</u>			
保單保費(不包括退休計劃) Office Premiums (exclude Retirement Scheme)	46,517	60,635	-23.3%

一般業務 General Business						
業務類別 Class of Business	毛保費 Gross Premiums			淨保費 Net Premiums		
	2009 (百萬元)(\$ m)	2008 (百萬元)(\$ m)	變動 Change	2009 (百萬元)(\$ m)	2008 (百萬元)(\$ m)	變動 Change
意外及健康 Accident & Health	7,688	7,206	6.7%	6,469	6,174	4.8%
汽車 Motor Vehicle	2,998	2,840	5.6%	2,555	2,374	7.6%
財產損壞 Property Damage	5,663	5,694	-0.5%	2,955	2,873	2.9%
一般法律責任 General Liability	7,145	6,102	17.1%	5,269	4,202	25.4%
金錢損失 Pecuniary Loss	2,211	1,985	11.4%	1,323	1,209	9.4%
其他 Others	2,845	3,192	-10.9%	1,941	2,326	-16.6%
總額 Total	28,550	27,019	5.7%	20,512	19,158	7.1%

長期業務(新造業務#) Long Term Business (New Business #)			
業務類別 Class of Business	保單保費 Office Premiums		
	2009 (百萬元)(\$ m)	2008 (百萬元)(\$ m)	變動 Change
個人人壽及年金(非投資相連) Individual Life and Annuity (Non-Linked)	30,965	24,054	28.7%
個人人壽及年金(投資相連) Individual Life and Annuity (Linked)	15,066	36,107	-58.3%
其他個人業務 Other Individual Business	279	256	9.0%
非退休計劃團體業務 Non-Retirement Scheme Group Business	207	218	-5.0%
總額(不包括退休計劃) Total (exclude Retirement Scheme)	46,517	60,635	-23.3%

#新造人壽業務的數字並不包括退休計劃業務。
Figures for long term new business exclude retirement scheme business.

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長期業務 (有效業務) Long Term Business (Inforce Business)												
業務類別 Class of Business	保單/ 計劃數目 Number of Policies/ Schemes			保費收入 Revenue Premiums								
	二零零九年 年底 End of 2009	二零零八年 年底 End of 2008	變動 Change	2009			2008			變動 Change		
				整付 Single (百萬元) (\$m)	非整付 Non-Single (百萬元) (\$m)	總額 Total (百萬元) (\$m)	整付 Single (百萬元) (\$m)	非整付 Non-Single (百萬元) (\$m)	總額 Total (百萬元) (\$m)	整付 Single	非整付 Non-Single	總額 Total
	個人人壽及年金 (非投資相連) Individual Life and Annuity (Non-Linked)	6,924,549	6,580,553	5.2%	16,320	74,830	91,150	13,014	68,870	81,884	25.4%	8.7%
個人人壽及年金 (投資相連) Individual Life and Annuity (Linked)	1,687,520	1,641,723	2.8%	7,670	29,982	37,652	27,561	28,963	56,524	-72.2%	3.5%	-33.4%
其他個人業務 Other Individual Business	205,006	207,447	-1.2%	0	1,517	1,517	0	1,369	1,369	NA	10.8%	10.8%
退休計劃團體業務 Retirement Scheme Group Business	310,751	318,501	-2.4%	11,800	13,458	25,258	10,824	13,897	24,721	9.0%	-3.2%	2.2%
非退休計劃團體業務 Non-Retirement Scheme Group Business	16,192	16,487	-1.8%	7	1,539	1,546	33	1,519	1,552	-78.8%	1.3%	-0.4%
總額 Total	9,144,018	8,764,711	4.3%	35,797	121,326	157,123	51,432	114,618	166,050	-30.4%	5.9%	-5.4%

長期業務 (終止業務及利益給付金額)

Long Term Business (Terminated Business and Benefit Payments)

業務類別 Class of Business	終止保單數目 Number of Policy Terminations					利益給付金額 Amount of Benefit Payments				
					變動 Change					變動 Change
	2009		2008			2009		2008		
	失效/ 退保 Lapse/ Surrender	其他終止 Other Terminations	所有終止 All Terminations	所有終止 All Terminations	給付予個人的 退保利益 Lapse/ Surrender Benefits Paid to Individuals (百萬元) (\$m)	給付予個人的 其他申索 及利益 Other Claims and Benefits Paid to Individuals (百萬元) (\$m)	所有利益 給付金額 All Benefit Payments (百萬元) (\$m)	所有利益 給付金額 All Benefit Payments (百萬元) (\$m)		
個人人壽及年金 (非投資相連) Individual Life and Annuity (Non-Linked)	409,026	62,310	471,336	436,300	8.0%	7,570	19,137	26,707	25,689	4.0%
個人人壽及年金 (投資相連) Individual Life and Annuity (Linked)	118,996	3,108	122,104	103,775	17.7%	12,878	2,009	14,887	19,192	-22.4%
其他個人業務 Other Individual Business	20,638	5,675	26,313	29,429	-10.6%	238	383	621	639	-2.8%
退休計劃團體業務 Retirement Scheme Group Business	NA	NA	31,304	18,500	69.2%	14,499	5,567	20,066	16,839	19.2%
非退休計劃團體業務 Non-Retirement Scheme Group Business	NA	NA	3,273	3,394	-3.6%	3	711	714	721	-1.0%
總額 Total	NA	NA	654,330	591,398	10.6%	35,188	27,807	62,995	63,080	-0.1%

長期業務 (再保險業務)

Long Term Business (Reinsurance Business)

再保險業務總額 Total Reinsurance Business	保費收入 Revenue Premiums					
	分入再保險的可收取的保費 Premiums Receivable under Reinsurance Assumed (百萬元) (\$m)			分出再保險的應付的保費 Premiums Payable under Reinsurance Ceded (百萬元) (\$m)		
	2009	2008	變動 Change	2009	2008	變動 Change
	1,554	1,478	5.1%	10,892	5,630	93.5%