

Headline	Life insurance biz up 20pc in 1H16		
MediaTitle	The Malaysian Reserve		
Date	07 Sep 2016	Language	English
Circulation	12,000	Readership	36,000
Section	Corporate Malaysia	Page No	1,6
ArticleSize	315 cm <sup>2</sup>	Journalist	PREMALATHA JAYARAMAN
PR Value	RM 8,913		



**Life insurance biz up 20% in 1H16:** The life insurance industry grew by 20% year-on-year in the first-half of 2016 (1H16) with new business weighted premium hitting RM2.44 billion from RM2.02 billion a year ago.

PG 6

# Life insurance biz up 20% in 1H16

*New business weighted premium hit RM2.4b from RM2b a year ago*

by **PREMALATHA JAYARAMAN**

**THE** life insurance industry grew by 20% year-on-year (YoY) in the first-half of 2016 (1H16) with its new business weighted premium hitting RM2.44 billion from RM2.02 billion a year ago.

Life Insurance Association of Malaysia (LIAM) noted that the traditional life insurance business grew 39.3% YoY, outpacing investment-linked business, which achieved a respectable 8% growth rate.

The gross sum assured for all new individual policies combined hit RM53.5 billion compared to RM45.2 billion achieved in 1H15, LIAM noted in a statement yesterday.

The gross sum assured for investment-linked business grew 21.9%, while the sum assured with traditional life insurance expanded by 6.5%.

For 1H16, the industry as a whole saw a 17.8% increase in benefit payments for death,

disability, medical bonuses and others amounting to RM4.82 billion compared to RM4.09 billion paid out last year.

The increase in benefit payments came from all types of claims except disability claim. LIAM added that the increase in insurance payments was within expectations and in line with the growth in business.

The industry also paid out RM1.86 billion in bonuses, as a result of surpluses in the life funds as a payback to policyholders.

On the new business mix and despite the strong growth in traditional life business, investment-linked business continued to be dominant.

Overall, investment-linked business contributed 53% of the new business weighted premiums with the remaining 47% made up of traditional life insurance business.

LIAM believes the life insur-

ance industry in the country is now undergoing significant changes and developments in the provision of its products and services as outlined under the life framework, which came into force on Nov 23, 2015.

LIAM president Toi See Jong said the life insurance industry will remain focused on implementing the various key initiatives under the life frameworks.

Apart from promoting innovation and long-term growth, Toi said the industry is gearing itself to improve productivity and create a more competitive market supported by a higher level of professionalism and transparency to meet the government's aspiration of insuring 75% of the population by 2020 and reduce the protection gap among Malaysians.

With all the above initiatives in place, Toi said the industry believes the professionalism, brand image and appeal factor of the life insurance industry

will be further enhanced as consumer interest is adequately safeguarded, which will in turn, lead to strong and healthy financial industry.

Headline	Life insurance biz up 20pc in 1H16		
MediaTitle	The Malaysian Reserve		
Date	07 Sep 2016	Language	English
Circulation	12,000	Readership	36,000
Section	Corporate Malaysia	Page No	1,6
ArticleSize	315 cm <sup>2</sup>	Journalist	PREMALATHA JAYARAMAN
PR Value	RM 8,913		



*Pic by Ismail Che Rus*

**Toi says the life insurance industry will remain focused on implementing the various key initiatives under the life frameworks**