



THAILAND LIFE INSURANCE BUSINESS

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1.No. of Insurance companies

Companies	Local companies	Foreign companies	Total
Life insurance	23	1	24
None life insurance	60	5	65
Re-insurance			
- Life	1	-	1
- None life	1	-	1
Total	85	6	91

2. Life Insurance Business in 2011

2.1 Direct Premium Income Between 2007-2012

Unit : USD Millions

	2007	2008	2009	2010	2011	2012 As of June
First Year Premiums	1,422	1,422	1,860	2,075	2,187	1,254
% Change	30.6	-	30.8	11.6	5.5	-
Renewal Premiums	4,574	4,999	5,541	6,578	7,476	4,066
% Change	6.8	9.3	10.9	18.7	11.9	-
Single Premiums	566	780	999	970	1,015	630
% Change	108.3	37.8	28.0	-2.9	4.6	-
Total Premiums	6,562	7,201	8,401	9,624	10,677	5,950
% Change	16.3	9.7	16.7	14.6	10.9	-

Note: Foreign Exchange Rates as of 9 October 2012 Bht 30.7747 : USD

2.2 Top 10 companies as of 2011

No.	Companies	Initials	Premium Income (USD millions)	Market Share (%)
1	American International Assurance	AIA	3,065	28.7
2	Thai Life Insurance	TLI	1,301	12.2
3	Muang Thai Life Assurance	MTL	1,231	11.5
4	Bangkok Life Assurance	BLA	1,025	9.6
5	SCB Life Assurance	SCBLife	985	9.2
6	Krungthai AXA Life Insurance	KTAL	684	6.4
7	Allianz Ayudhya Life	AZAY	675	6.3
8	Ocean Life Insurance	OLIC	431	4.0
9	ING Life Limited	ING	330	3.1
10	Thanachart Life Assurance	TLA	235	2.2
11-24	Others	-	715	6.8
	Total		10,677	100.0

Note: Foreign Exchange Rates as of 9 October 2012 Bht 30.7747 : USD

2.3 Insurance Penetration Rate & Insurance Density

	2007	2008	2009	2010	2011
Direct Premium [USD Millions]	6,562	7,201	8,401	9,624	10,677
Gross Domestic Product [GDP] [USD Millions]	277,020	295,063	293,798	328,348	342,470
Population [Million]	63.0	63.4	63.5	63.9	64.1
Insurance Penetration Rate [%]	2.4	2.4	2.9	2.9	3.1
Insurance Density [%]	104	114	132	151	167

Note: Insurance Penetration Rate = Direct Premium / Gross Domestic Product [GDP]
Insurance Density = Direct Premium / Population

2.4 Distribution Channels

Channels	Premiums (USD Millions)	Ratio (%)
Agency	6,524	61.10
Bancassurance	3,479	32.59
Direct Marketing	360	3.37
Others	314	2.94
Total	10,677	100.00

Note : Direct Marketing = Tele Marketing & Direct Mail
Others = Except 3 channels such as 7 eleven , Internet etc..

2.5 Number of In-force Policies

- In 2011, the total number of in-force policies in the Thai life insurance business was **17,464,624** policies or an increase of 7.17% and the total amount of sum-insured was USD **238,556** million or a growth of 12.32% against that in the year 2010, the average sum-insured per policy was USD **13,659** and the number of policies per population rate was 30.28% (include PA).



POLICIES IN FORCE AT THE END OF YEAR 2011

	No. of Policies	Sum Insured (USD Millions)
Ordinary	15,380,975	109,852
Whole Life	5,468,109	33,634
Endowment	8,890,660	57,848
Term	1,018,968	18,319
Others	3,238	51
Industrial	2,055,601	4,119
Group	28,048	124,586
Total	17,464,624	238,556

2.6 Total Assets and Investment Assets

- In 2011, the total assets of Thailand's life insurance business was USD **48,346** million, an increase of 19.73% compare with the previous year.
- Total investment assets was USD **45,949** million, an increase of 19.65% compare with the previous year.
- Major types of investments made by life insurance companies include government and state enterprise securities with a total amount of USD **29,078** million or 63.28% of total investment assets, followed by private securities whose total amount of investment was USD **10,783** million or 23.47% of total investment assets.

Investments by Life Insurance Companies

Unit : USD Millions

	2007	2008	2009	2010	2011	Investment Ratio
Government Security	14,620	16,798	20,873	24,625	29,078	63.28
Private Security	6,987	6,065	6,724	8,769	10,783	23.47
Foreign Security	1,095	1,562	1,815	1,831	2,335	5.08
Other Loans & Investments	2,119	2,426	2,430	2,814	2,871	6.25
Deposits at Financial Institutions with Interest	380	643	492	364	882	1.92
Total Investment Assets	25,201	27,494	32,333	38,403	45,949	100.00

3. Trend of Life Insurance Business in 2012

3.1 Direct Premium Income : January-June 2012

In 2012 (Jan-Jun) the total direct premium income in life insurance business in Thailand was USD **5,950** million or a growth of 17% compared with 14% in the same period of 2011 of this income,

[1] A first year premium income was USD **1,254** million which represented a growth of 19% against 12% in 2011.

[2] A renewal premium earning was USD **4,066** million, the retention rate was at 88% against the 88% level in 2011.

[3] The single premium income was USD **630** million or a growth of 32% against that of 10% in 2011.

3.1 Direct Premium Income : January-June 2012

- At the end of year 2012, it is expected that the life insurance business in Thailand will see a business growth of not less than **15%**, with a projected gross premium income of USD **12,261** million.

Unit : USD Millions

	Jan-Jun'12	Jan-Dec'12 (Proj.)	% Growth (YOY)
First Year Premiums	1,254	2,646	21
Renewal Premiums	4,066	8,448	13
Single Premiums	630	1,167	15
Total Premiums	5,950	12,261	15

Note : YOY = Year on Year

3.2 Factors, Attributing to Business

The main factors contributing to 15% expected expansion are as follows:

- Improved public awareness in the importance of life insurance, especially after the great flood of 2011. Government supporting
- Government support such as tax deduction on premium.
 - Traditional products
 - USD 3,249 [Baht 100,000] for income earner
 - USD 324 [Baht 10,000] for income earner who paid premium for spouse which has no income.
 - Annuity products
 - USD 6,498 [Baht 200,000] for income earner
 - Health products
 - USD 487 [Baht 15,000] for income earner who paid premium for parent which has no income
- Distribution channels development
- Products development
- Marketing promotion campaigns by companies, especially TV and print advertise

**Thank
You**