

THE ASSOCIATION OF KENYA INSURERS

INSURANCE INDUSTRY STATISTICS REPORT FOR THE YEAR 2005

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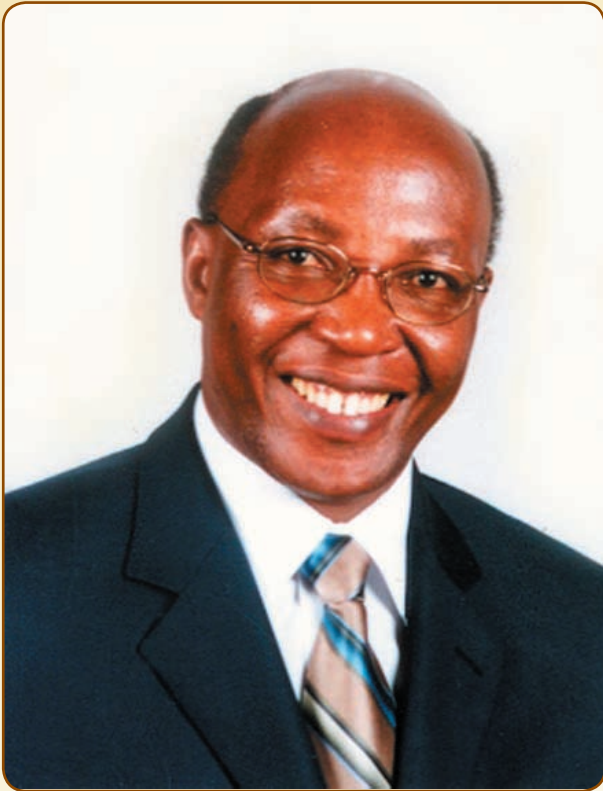
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DISCLAIMER

Information contained in this report has been obtained from the audited annual financial statements received from member companies of the Association of Kenya Insurers.

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It is my privilege to write the forward on the Insurance Industry Statistics Report for the Year 2005.

The contribution made by the Insurance Industry in the overall economic development of the country is well recognised. The insurance industry is an essential player in the capital formation of any country.

The year under review has been an eventful one for the financial services sector which includes the insurance industry. It is particularly gratifying to note that the economy recorded a GDP rate of 5.8% in 2005. The industry recorded gross premium income of Kshs. 36.4 billion in the year 2005 compared to 32.8 billion in the year 2004 representing a premium growth of 11%.

During the year, the Association of Kenya Insurers (AKI) continued to engage a broad range of stakeholders with a view to building relationships to ensure that it is able to deliver value to its members and by influencing policy decisions to the best advantage of the insurance industry.

The industry is gratified to note the positive changes proposed in the year 2006/2007 budget. For the first time, premium in respect of motor and fire insurance will be collected upfront from January 2007. This is indeed a great achievement for our industry as the two classes of insurance contribute about 60% of the entire premium written in General Insurance. This means that the cash flow of the underwriters will greatly improve and reduce instances of bad debts.

Ben I. Wairegi
Chairman
Association of Kenya Insurers

1.0. EXECUTIVE SUMMARY

1.1 Economic Overview

Kenya's Economy recorded a growth of 5.8% in 2005 compared to 4.9% in 2004. The improved economic growth was driven by an impressive growth in the agricultural (6.7%), tourism (13.3%), telecommunications (15.9%) and construction (7.2%) sectors.

The share prices for most listed companies rose substantially as reflected in the NSE share index that rose from 2496 points in December 2004 to 3973 points in December 2005.

The financial sector remained stable and recorded a moderate growth with the banking sector taking the lead. The insurance industry's performance was also impressive compared to previous years.

1.2 Insurance Sector Players

There were 42 licensed insurance companies in 2005 with 21 companies writing general insurance, 6 writing life insurance while 15 were composite. Reports for two companies registered during the year were not available and have therefore not been included in this report. There were 205 licensed insurance brokers during the year.

A number of companies introduced new products in the market thereby widening the choice of products available to customers and improving the quality of competition in the industry.

During the year, one insurer was placed under statutory management. The industry eagerly awaits the establishment of an Insurance Regulatory Authority which will be expected to put in place strict mechanisms of monitoring and regulating the industry.

1.3 Premium Income

The gross premium written by the industry was Kshs 36.42 billion compared to Kshs 32.78 billion in 2004 representing a growth of 11%.

The net premium from general insurance was Kshs 17.11 billion (2004: Ksh 14.56 billion) while Long term business premiums and pensions contributions amounted to Kshs 10.16 billion (2004: Ksh 9.97 Billion).

1.4 Profitability

The gross profit before tax rose from 2.74 billion in 2004 to 4.85 billion in 2005 representing a growth of 107.5%.

The table below shows a summarised industry performance.

Table 1: Insurance Sector Performance at a Glance

CLASS	GROSS PREMIUM		NET PREMIUM		INCURRED CLAIMS		MANAGEMENT EXPENSES		UNDERWRITING PROFIT	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
Short Term	22.81	25.39	14.56	17.11	8.78	10.2	4.70	6.1	1.08	.812
Long Term	9.97	11.03	9.26	10.16	5.12	6.87	3.29	2.14	0.85	1.15
Total	32.78	36.42	23.82	27.27	13.90	17.07	7.99	8.24	1.93	1.962

Figures in billions Kenya shillings. Management Expenses do not include figures from the Deposit Administration business

The contribution of insurance in Kenya is however still low as reflected in the comparative figures from other developing countries in the table 2 below

Table 2: Comparative Figures

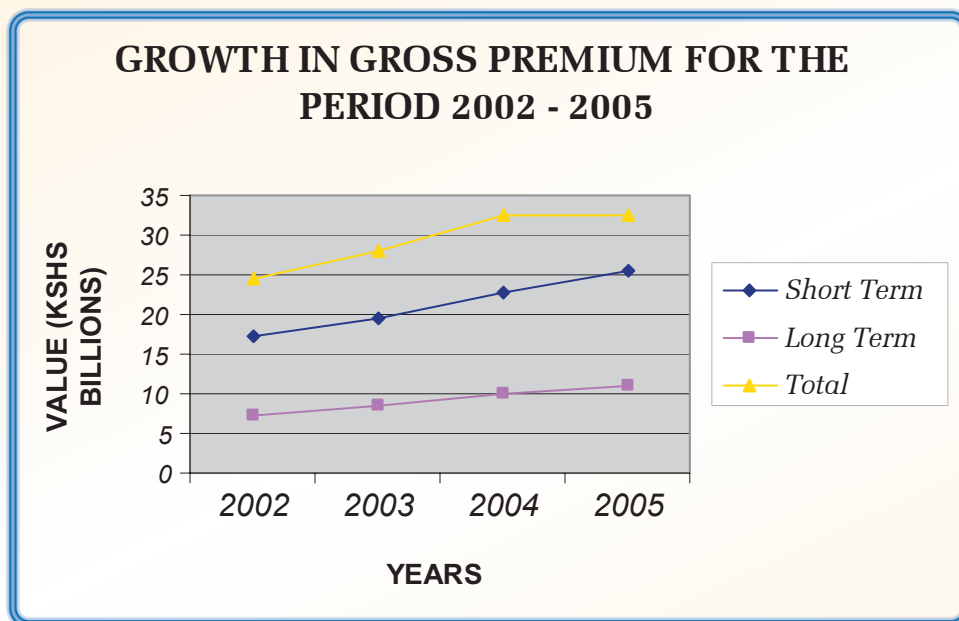
Country	Population (Million)	GDP USD Billion	Per capita GDP USD	Non Life Premiums USD Million	Life Premium USD Million	Non Life Penetration	Life Density USD	Life Penetration
India	1,083	631	583	4,338	16,381	0.70%	15	3.00%
Egypt	75	102	1,361	561	354	0.60%	5	0.35%
South Africa	46	181	5,108	5,482	20,925	3.00%	460	11.56%
Kenya	33.4	19.65	587	348	151	1.8%	4.5	0.77%

The industry has recorded growth over the last 4 years as illustrated in the table 3 below

Table 3: Growth in Gross Premium for the Period 2002 – 2005

	2002	2003	2004	2005
Short Term	17.23	19.40	22.81	25.39
Long Term	7.30	8.50	9.97	11.03
Total	24.53	27.90	32.78	36.42

Figures in billions Kenya shillings.



1.5 Claims

The industry incurred claims totaling to Kshs 17.07 billion compared to Kshs 13.9 billion in the year 2004 representing an increase of 22%. The industry needs to focus on claims reduction, premium growth and prudent investment in order to realize faster and sustainable growth.

1.6 Expenses

The total industry expenses was Kshs 8.24 billion (2004: Kshs 7.99 billion) an increase of 3%.

1.7 Underwriting Profit

The overall industry underwriting profit was Kshs 1.962 billion which was higher than the Kshs 1.93 billion recorded in 2004. General insurance recorded lower underwriting profit of Kshs 812 million compared to Kshs 1.08 billion in 2004.

1.8 Insurance Industry Performance Relative to the Economy

The performance of the industry relative to the economy for the period 2003 to 2005 is provided in table 4 below:

Table 4: Insurance Performance relative to economy

	2003	2004	2005
Gross Domestic Product (GDP) at market prices	1,136.3	1,282.5	1,415.2
Life Insurance Premium	8.50	9.97	11.03
Life Penetration % GDP	0.75%	0.78%	0.78%
General Insurance Premium	19.40	22.78	25.39
General Penetration % GDP	1.69%	1.76%	1.79%
Total Premium	27.90	32.75	36.42
Total Penetration % GDP	2.44%	2.54%	2.57%

Figures in billions Kenya shillings.

The penetration of insurance computed as a ratio of Gross Premium to Gross Domestic Product (GDP) is 2.57% compared to 2.54% in 2004.

Long term insurance recorded a penetration ratio of 0.78% while that of general insurance was 1.79%.

1.9 Performance of the Kenya Insurance Industry In Comparison To Other Countries

The insurance industry in Kenya is relatively small compared to other markets like South Africa, Malaysia and the UK.

Table 5 below compares the performance of the Kenyan insurance industry with other developing countries in 2005.

Table 5: Kenyan Insurance Industry versus other countries

2005	Kenya	South Africa	Egypt	Malaysia
Nominal GDP, US\$ bn	19.38	181.1	102	130
GDP Growth, %	5.8	5.1	5.1	7.1
Population, million	33.4	45.5	75	26
Per Capita GDP	580	5,108	1,361	4,987
Total life Premium, US\$ bn	0.15	20.93	0.35	4.40
Life Penetration as % GDP	0.78	11.6%	0.3%	3.4%
Total non-life Premium, US\$ bn	0.35	5.48	0.56	2.37
Non-life Penetration as % GDP	1.79	3.0%	0.6%	1.8%
Total Premium, US\$ bn	0.50	26.41	0.92	6.77
Total Penetration as % GDP	2.55%	14.6%	0.9%	5.2%

Figures in US Dollars

The figures underscore the need to have an insurance sector that can contribute more to the economic development of the country like the South Africa and Malaysian insurance sectors.

1.10 The Insurance industry combined balance sheet

Table 6: Insurance industry combined Balance Sheet

	2004	2005
Shareholders Capital, Life Fund & Reserves	16.92	22.03
Total Assets	75.10	94.71
Total Liabilities	58.18	72.68
Net Assets	16.92	22.03
Profit/(Loss) before Tax	2.34	4.85
Return on Capital Employed	0.14	0.22

Figures in billions Kenya shillings

The insurance industry shareholders capital, life fund and reserves increased by 30.2% in 2005 in comparison to 2004 figures.

Total assets held by insurance companies increased by 26.1% in 2005 while there was an increase of 24.9% in the total liabilities compared to 2004.

Likewise, net assets increased by 30.2% in 2005 compared to 2004. Profit before tax returned a significant increase of 107.3% compared to 2004 on the account of growth in premium and investment income. There was a marked improvement in return on capital employed of 57.1% in 2005 compared to 2004.

The insurance industry, while observing the requirements of the Insurance Act, should ensure that the right mix of assets is held to improve their liquidity, return on capital employed and solvency margins.

1.11 The Insurance Industry combined Profit And Loss

The insurance industry's performance for the last two years is shown below.

Table 7: Combined industry profit and loss

	2004	2005
Gross Earned Premium	25.60	32.78
Reinsurance ceded	7.04	8.42
Net Earned Premium	18.56	24.36
Investment & Other income	5.71	10.21
Net Income	24.27	34.57
Net Incurred claims	11.86	16.88
Total Commissions & Expenses	10.06	12.84
Profit/(Loss) before Taxation	2.35	4.85
Provision for Taxation	0.44	0.81
Profit/(Loss) after Taxation	1.91	4.04

Figures in billions Kenya shillings

The gross earned premium and investment income increased by 28.0% and 78.8% respectively in 2005 compared to 2004.

Net incurred claims, commissions & expenses increased by 42% and 27% in 2005 respectively. Increase in profit/ (loss) before taxation was at 107% compared to 2004.

Similarly, there was an increase in provision for taxation of 84% in 2005 compared to 2004 showing that the insurance industry's contribution to the Ex-chequer has a huge potential.

GENERAL INSURANCE STATISTICS REPORT

2.1 PREMIUM INCOME

The total gross direct premium in 2005 was Kshs. 25.39 billion compared to Kshs. 22.81 billion in 2004. The gross direct premium and the market share of each company is shown in table 8:

Table 8 – Gross written premium and market share

	COMPANIES	GROSS PREMIUM (KSHS)	MARKET SHARE
1	Africa Merchant Assurance Company Ltd	240,493,965	0.95%
2	AIG Insurance Company	1,594,310,000	6.28%
3	APA Insurance Limited	1,504,366,000	5.92%
4	Blue Shield Insurance Company	1,920,880,918	7.56%
5	British America Insurance Company	415,267,000	1.64%
6	Cannon Assurance Company	231,197,213	0.91%
7	Concord Insurance Company	603,973,314	2.38%
8	Co-operative Insurance Company	924,921,027	3.64%
9	Corporate Insurance Company	226,494,000	0.89%
10	Directline Insurance Company	-	0%
11	Fidelity Shield Insurance Company	540,334,000	2.13%
12	First Assurance Company Ltd	672,774,000	2.65%
13	Gateway Insurance Company	343,957,478	1.35%
14	Geminia Insurance Company	383,329,033	1.51%
15	General Accident Insurance Company	469,084,730	1.85%
16	Heritage A.I.I. Insurance Company	1,116,484,000	4.40%
17	Insurance Company of East Africa	1,021,746,000	4.02%
18	Intra Africa Assurance Company	361,346,150	1.42%
19	Invesco Assurance Company Ltd	829,945,265	3.27%
20	Kenindia Assurance Company Ltd	2,778,409,000	10.94%
21	Kenya Orient Insurance Company Ltd	139,122,570	0.55%
22	Kenyan Alliance Insurance Company Ltd	457,713,551	1.80%
23	Lion of Kenya Insurance Company Ltd	1,079,045,934	4.25%
24	Madison Insurance Company Ltd	825,629,000	3.25%
25	Mayfair Insurance Company	-	0%
26	Mercantile Insurance Co. Ltd	311,008,000	1.22%
27	Occidental Insurance Company Ltd	446,480,525	1.76%
28	Pacis Insurance Company	12,215,000	0.05%
29	Phoenix of East Africa Insurance Company Ltd	365,883,000	1.44%
30	Royal Insurance Company of East Africa Ltd	643,765,000	2.53%
31	Standard Assurance Company Ltd	693,433,199	2.73%
32	Tausi Assurance Company Ltd	672,125,038	2.65%
33	The Jubilee Insurance Company of Kenya Limited	1,782,868,000	7.02%
34	The Monarch Insurance Company Ltd	60,400,751	0.24%
35	Trident Insurance Company Ltd	327,662,023	1.29%
36	UAP Provincial Insurance Company	1,400,202,000	5.51%
	Total	25,396,866,684	100.00%

2.1.1 MAJOR CLASSES

The following seven classes recorded gross direct premiums of Kshs. 1 billion and above and accounted for 87.4% of the total gross direct premium in 2005. Other remaining classes had 3.16 billion or 12.6% of the general business. The market average was Kshs. 747 million and only 12 companies exceeded the average.

The distribution of gross direct premiums per class is shown in table 9 below.

Motor commercial (26.4%) had the highest share of the direct premium, followed by Motor Private (about 17%), then Personal accident (15%), Fire industrial (13%) and finally theft with (6%). The balance of 21.6% is for the remaining seven classes.

The class with the highest potential in premium growth is motor as it accounted for about 44%. There is also great potential in personal lines particularly domestic fire and personal accident.

Table 9: Premium from main classes

	Class of business	Amount (billions)	% of total premium
1	Motor Commercial	6.7	26.4
2	Motor Private	4.4	17.3
3	Personal Accident	3.8	15.2
4	Fire Industrial	3.4	13.6
5	Theft	1.4	5.6
6	WCA	1.3	5.1
7	Marine	1.2	5.0
8	Others	3.16	11.8
Total		25.36	100.0

2.1.2 GROSS DIRECT PREMIUM GROWTH PER CLASS

The table below shows distribution of gross direct premium per class from 2001 to 2005. Comparison of growth in 2004 and 2005 shows that the class with the highest growth was motor commercial with 21.2%, followed by WCA with 18.2% and motor private with 14.9%.

Table 10: Gross premium per class

Gross Premium Per Class From 2000 – 2005						
Class of Business	2001	2002	2003	2004	2005	2004-2005 GROWTH IN %
Aviation	181,802	220,914	294,404	252,009	170,751	-32.2%
Engineering	546,073	532,186	516,227	737,083	832,228	12.9%
Fire Domestic	548,433	535,251	520,640	537,158	556,135	3.5%
Fire Industrial	2,345,985	2,964,878	2,843,122	3,316,378	3,460,941	4.4%
Liability	311,549	411,523	634,085	646,439	681,703	5.5%
Marine	940,420	929,273	1,035,418	1,196,231	1,272,553	6.4%
Motor Private	2,783,671	3,036,187	3,153,812	3,835,834	4,406,286	14.9%
Motor Commercial	3,792,494	5,122,215	5,549,879	5,534,798	6,707,361	21.2%
Personal Accident	2,418,013	2,533,994	3,152,526	3,677,418	3,869,784	5.2%
Theft	1,024,466	1,105,040	1,103,365	1,312,793	1,428,120	8.8%
WCA	861,529	928,957	982,676	1,104,345	1,304,873	18.2%
Miscellaneous	369,379	355,100	351,936	658,602	706,130	7.2%
Total	16,123,814	18,675,518	20,138,090	22,809,088	25,396,865	

Figures in thousands Kshs.

General insurance premium growth

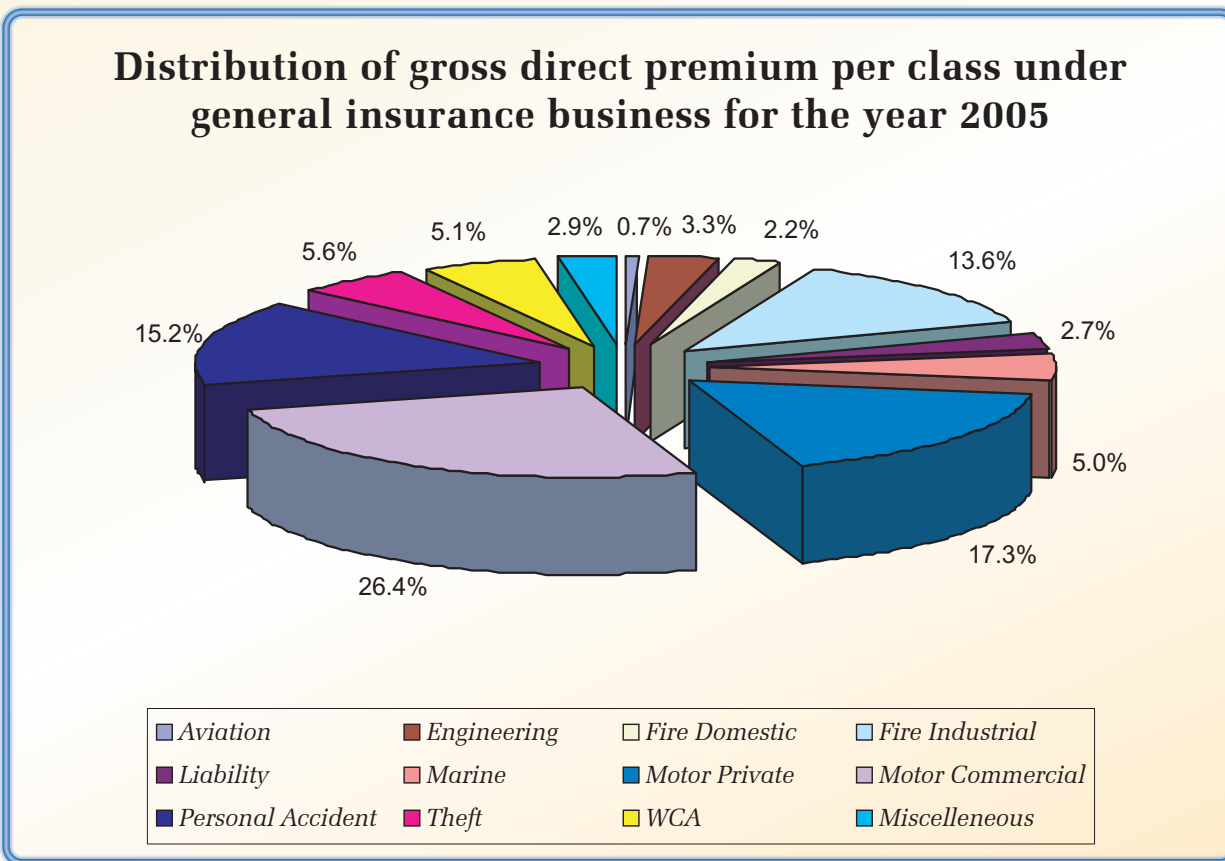
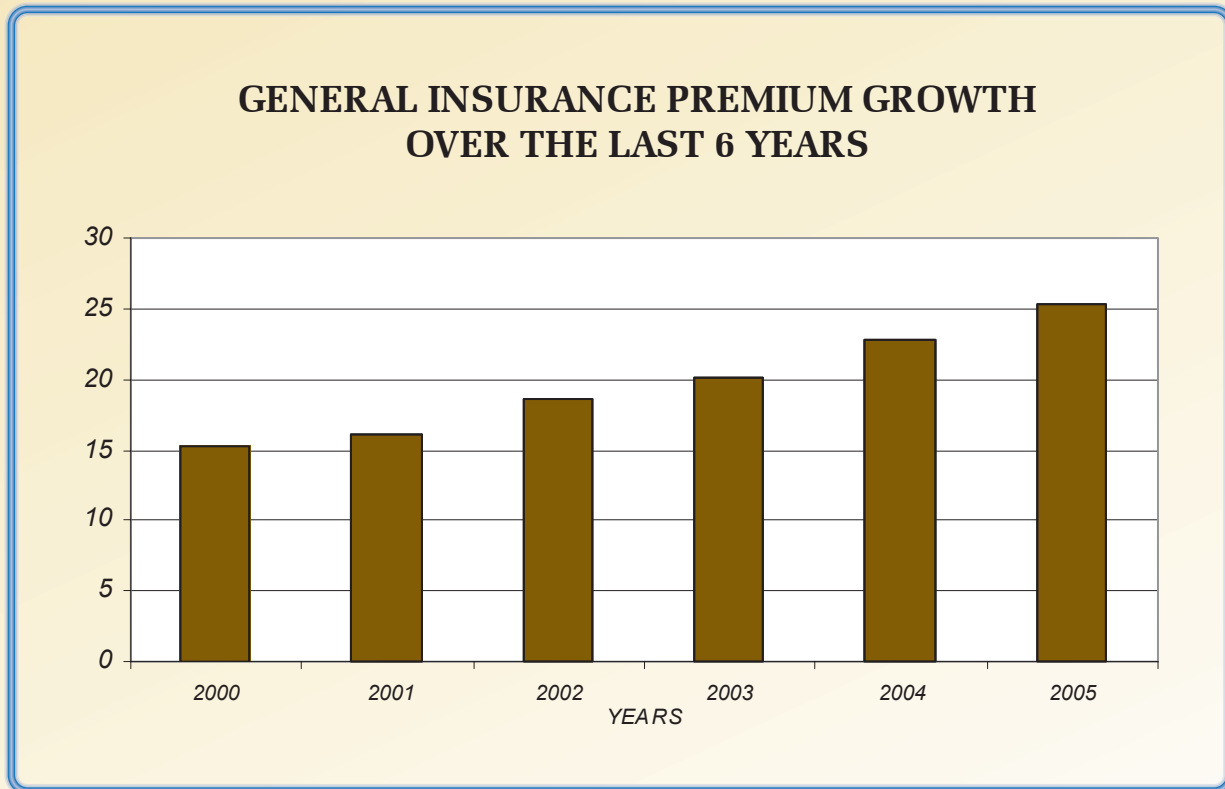


Table 11: Gross Direct premium per company per class

GENERAL INSURANCE - GROSS PREMIUM PER CLASS FROM REVENUE ACCOUNTS 2005													
Companies	Aviation	Engineering	Fire Domestic	Fire Industrial	Liability	Marine	Motor Private	Motor Commercial	Personal Accident	Theft	WCA	Miscellaneous	Total
African Merchant	1,499,358	762,472	310,542	511,285	950,303	192,470	51,668,181	132,025,574	6,124,547	1,341,493	2,898,265	42,209,475	240,493,965
AIC	-	135,096,000	43,274,000	490,525,000	253,019,000	31,570,000	152,416,000	186,562,000	218,094,000	57,437,000	24,404,000	1,913,000	1,594,310,000
APA	53,838,000	36,987,000	20,319,000	135,341,000	22,283,000	54,019,000	135,512,000	267,383,000	601,127,000	54,059,000	55,940,000	67,558,000	1,504,366,000
Blue Shield	-	6,354,573	3,598,225	10,786,471	1,658,028	5,774,911	297,099,523	1,555,117,317	15,699,521	11,685,916	11,629,359	1,477,074	1,920,880,918
British American	-	6,518,000	11,110,000	54,826,000	1,245,000	51,881,000	27,597,000	19,979,000	211,816,000	13,450,000	15,250,000	1,595,000	415,267,000
Cannon	848,000	19,380,639	5,001,478	14,901,998	1,048,094	7,305,872	46,946,020	70,523,823	7,014,467	8,121,001	21,366,479	28,739,342	231,197,213
Concord	-	27,321,977	11,276,002	51,419,489	4,986,785	28,778,596	143,498,096	162,099,541	10,238,628	36,152,816	47,829,449	80,371,935	603,973,314
Co-operative	-	11,274,430	14,541,401	95,268,742	110,502,695	549,162	247,570,308	186,750,419	100,343,607	125,801,301	31,019,485	1,299,477	924,921,027
Corporate	-	5,192,000	5,782,000	43,951,000	1,256,000	3,116,000	58,205,000	72,907,000	7,730,000	18,604,000	8,608,000	1,143,000	226,494,000
Directline	-	-	-	-	-	-	-	-	-	-	-	-	-
Fidelity	-	6,431,000	11,806,000	56,018,000	3,564,000	46,276,000	118,642,000	169,773,000	31,490,000	36,980,000	56,093,000	3,261,000	540,334,000
First Assurance	-	42,973,000	14,426,000	127,011,000	15,976,000	39,582,000	112,244,000	172,396,000	43,898,000	48,748,000	49,436,000	6,084,000	672,774,000
Gateway	-	2,863,310	4,619,550	17,563,398	245,189	1,182,992	84,918,893	210,641,888	6,371,561	8,369,684	5,027,457	2,153,556	343,957,478
Gemina	-	7,200,302	15,413,990	49,005,822	3,126,287	29,911,058	85,627,826	91,775,578	13,228,276	44,288,940	39,900,060	3,850,894	383,329,033
General Accident	-	18,537,608	11,391,871	77,797,649	6,303,468	34,856,203	59,054,854	96,912,178	42,106,766	38,227,069	49,980,200	33,916,864	469,084,730
Heritage	9,001,000	22,937,000	72,855,000	156,296,000	22,141,000	43,287,000	281,442,000	103,161,000	280,236,000	50,161,000	52,919,000	22,048,000	1,116,484,000
ICEA	32,780,000	40,842,000	32,668,000	165,163,000	53,154,000	46,472,000	189,516,000	142,296,000	188,335,000	72,437,000	54,755,000	3,328,000	1,021,746,000
Intra Africa	-	18,078,855	8,691,630	30,305,367	7,735,730	22,197,631	96,834,518	90,123,646	12,526,239	22,553,377	37,251,680	15,047,477	361,346,150
Invesco	-	764,060	979,638	5,896,345	757,866	1,825,972	105,681,422	693,193,238	6,713,009	5,660,475	4,848,623	3,624,617	829,945,265
Kenindia	-17,000	118,410,000	36,072,000	551,958,000	48,797,000	343,173,000	388,698,000	511,971,000	177,500,000	274,488,000	286,712,000	40,647,000	2,778,409,000
Kenya Orient	-	2,181,570	2,443,168	6,756,707	1,447,945	2,557,700	52,025,496	46,280,275	1,564,166	4,057,859	6,244,829	13,562,855	139,122,570
Kenyan Alliance	-	8,057,004	22,480,024	59,827,139	2,863,423	5,575,111	178,534,439	120,231,047	31,985,914	16,797,904	10,726,090	635,456	457,713,551
Lion	6,879,240	43,857,221	34,259,745	245,788,354	21,875,534	79,729,639	149,850,701	249,895,948	98,338,132	67,119,902	56,159,835	25,291,683	1,079,045,934
Madison	-	22,407,000	7,644,000	52,726,000	15,904,000	15,251,000	74,227,000	92,988,000	490,278,000	14,560,000	7,376,000	32,268,000	825,629,000
Mayfair	-	-	-	-	-	-	-	-	-	-	-	-	-
Mercantile	-	5,178,000	12,102,000	44,269,000	1,884,000	4,958,000	30,621,000	24,899,000	51,705,000	24,506,000	8,450,000	102,436,000	311,008,000
Occidental	-	13,904,574	16,462,484	54,283,361	2,338,615	31,102,552	97,729,171	95,762,031	16,854,059	41,108,985	61,846,338	15,088,355	446,480,525
Pacific	-	-	259,000	1,816,000	299,000	-	5,281,000	3,052,000	407,000	365,000	719,000	17,000	12,215,000
Phoenix	65,922,000	51,283,000	6,569,000	86,402,000	3,045,000	4,361,000	78,042,000	42,894,000	10,083,000	10,351,000	6,079,000	852,000	365,883,000
Royal	-	48,648,000	22,474,000	139,338,000	20,829,000	36,500,000	131,129,000	116,713,000	43,483,000	36,309,000	42,339,000	6,003,000	643,765,000
Standard	-	13,436,125	1,292,208	34,265,201	450,476	168,824	70,406,316	562,740,514	1,903,027	5,610,077	3,002,540	157,891	693,433,199
Tausi	-	20,939,395	26,807,043	86,336,214	9,872,658	87,418,097	108,502,046	114,508,822	15,568,567	85,251,384	93,856,792	23,064,020	672,125,038
The Jubilee	-	29,241,000	21,411,000	229,144,000	9,011,000	88,060,000	469,196,000	708,524,000	60,610,000	60,610,000	62,512,000	105,159,000	1,782,868,000
The Monarch	-	3,812,146	3,029,779	5,717,825	825,602	2,492,562	20,589,563	11,485,449	7,212,198	2,373,941	750,974	2,110,712	60,400,751
Trident	-	10,726,709	7,397,620	45,410,444	2,049,690	26,114,128	52,856,551	55,769,081	36,551,252	30,948,200	44,952,646	14,885,702	327,662,023
UAP	-	30,632,000	47,368,000	234,315,000	30,258,000	96,314,000	204,124,000	234,551,000	374,734,000	99,585,000	43,990,000	4,331,000	1,400,202,000
TOTAL	170,750,598	832,227,970	556,135,398	3,460,940,811	681,703,388	1,272,553,480	4,406,285,924	6,707,361,369	3,869,783,936	1,428,120,324	1,304,873,101	706,130,385	25,396,866,684

Table 12: Summary of Revenue Accounts (General Insurance)

Summary of Revenue Accounts – General Insurance Business 2005 (KSHS)													
Class of Insurance	Aviation	Engineering	Fire Domestic	Fire Industrial	Public Liability	Marine	Motor Private	Motor Commercial	Personal Accidents	Theft	Miscellaneous	WCA	Total
Gross Premium	170,750,598	832,227,970	556,135,398	3,460,940,811	681,703,388	1,272,553,480	4,406,285,924	6,707,361,369	3,869,783,936	1,428,120,324	706,130,385	1,304,873,101	25,396,866,684
Net Earned Premium	27,059,384	189,864,434	381,807,876	734,178,986	287,073,419	667,641,146	3,971,140,985	5,966,983,832	2,606,365,678	718,986,388	415,152,216	1,146,255,055	17,112,509,399
Incurred Claims	9,019,882	86,408,718	111,350,303	148,554,658	147,613,543	229,778,639	3,269,877,251	2,937,101,252	1,690,302,901	369,187,790	111,998,292	1,090,691,137	10,201,884,366
Total Expenses	849,827	62,821,839	193,960,358	165,943,655	123,367,249	227,585,255	1,429,424,887	2,278,342,095	795,954,856	182,029,335	136,365,854	503,439,797	6,098,385,353
Underwriting Profit/Loss	18,889,330	40,632,879	76,497,216	419,680,678	16,091,628	210,277,253	-728,160,151	751,539,427	120,107,920	167,767,263	166,786,070	-447,874,877	812,234,636

2.2 CLAIMS

2.2.1 Incurred Claims

The General Insurance Business incurred net claims of 10.2 billion, against net earned premium of 17.1 billion. The claims ratio for the industry in 2005 was 49% compared to 56% in 2004.

Table 13: Loss ratios per class (General Insurance)

Class of Business	Net earned Premium (Kshs)	Net Incurred Claim (Kshs)	Loss Ratio (%)
Aviation	27,059,384	9,019,882	33.3
Engineering	189,864,434	86408718	45.5
Fire Domestic	381,807,876	111350303	29.2
Fire Industrial	734,178,986	148554658	20.2
Public Liability	287,073,419	147613543	51.4
Marine	667,641,146	229778639	34.4
Motor Private	3,971,140,985	3269877251	82.3
Motor Commercial	5,966,983,832	2937101252	49.2
Personal Accident	2,606,365,678	1690302901	64.9
Theft	718,986,388	369187790	51.3
WCA	1,146,255,055	1090691137	95.2
Miscellaneous	415,152,216	111998292	27.0
Total	17,112,509,399	10,201,884,366	48.7

The six classes that performed poorly are shown in table 14:

Table 14: General Insurance classes with high loss ratios

CLASS	Loss Ratios %
WCA	95.2
Motor Private	82.3
Personal Accident	64.9
Public Liability	51.4
Theft	41.3
Motor Commercial	49.2

The general insurance loss ratio per class for the last 6 years is shown in table 15 below.

Table 15: Six year General Insurance loss ratios

	2000	2001	2002	2003	2004	2005
Aviation	68%	48%	50%	72%	-123.70%	33.3%
Engineering	95%	23%	17%	53%	38.96%	45.5%
Fire Domestic	42%	29%	37%	26%	25.47%	29.2%
Fire Industrial	32%	38%	47%	37%	39.80%	20.2%
Liability	87%	116%	136%	55%	41.38%	51.4%
Marine	60%	46%	42%	34%	33.30%	34.4%
Motor Private	67%	63%	70%	68%	62.78%	82.3%
Motor Commercial	86%	75%	44%	55%	47.50%	49.2%
Personal Accident	84%	67%	65%	68%	64.61%	64.9%
Theft	78%	72%	67%	69%	51.38%	51.3%
WCA	80%	79%	92%	106%	104.63%	95.2%
Miscellaneous	36%	43%	27%	26%	40.65%	27.0%
Average	72%	59%	56%	62%	56.00%	48.7%

The statistics shows that the worst performing class of general insurance with ratios above 50% were WCA/Employers liability (95.2%), followed by Motor private (82.3%), and Personal Accident (64.9%). While WCA/EL seems to have improved from the previous year, Motor private seems to have deteriorated, with claims loss ratio rising from 62.8% to 82.3%.

2.3 TOTAL EXPENSES

During year 2005, total expenses amounted to Kshs 6.1 billion. This is 24% of the total gross direct premium. Interestingly, there has been no change of this percentage from the previous year, despite the increase in the gross premium.

2.4 UNDERWRITING RESULTS

The overall underwriting results for general insurance was 812 million. Despite the growth in gross premiums by 11%, underwriting profit reduced by 24%. This is as a result of increase in claims incurred from 8.78 billion in 2004 to Kshs. 10.2 billion in the year under review (16%). Insurers should pay attention to underwriting standards and claims management, particularly the classes with high loss ratios such as WCA/EL, Personal Accident/GPA and Motor.

3.0 LONG TERM INSURANCE STATISTICS REPORT FOR 2005

The financial reporting in the year 2005 was changed with the adoption of IFRS 4, which provides for a clear separation of Life Insurance Business from Deposit Administration Business.

3.1 PREMIUM INCOME

There has been remarkable growth in premium income recorded over the last 4 years. The total long term premium income and pensions contributions from all the classes of long term business (Ordinary Life, Group Life and Deposit Administration) was Kshs 11.03 billion compared to Kshs. 9.97 billion in 2004 representing a growth of 10.6% which is way above the GDP growth rate of 5.8% attained in 2005. The growth is however lower than that recorded in the previous year of 17%. However, the contribution of the life insurance sector to the GDP recorded during the year (Kshs. 1,415.16 Billion) is a mere 0.78 %. The contribution of long term insurance business has therefore not changed compared to the year 2004.

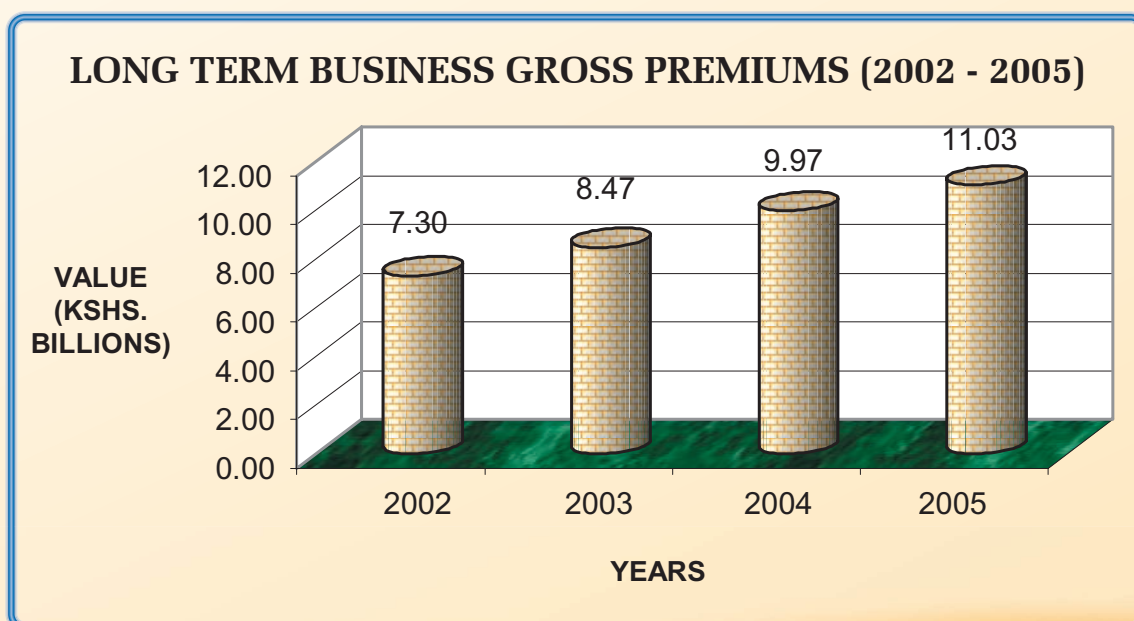
Ordinary life business had the highest contribution in the year recording a gross premium income of Kshs 4.567 billion (41.4 %) compared to 4.191 billion in the year 2004. The overall growth in the ordinary life business during the year was nearly 9%.

Group life business recorded gross premium income of Kshs. 2.586 billion (23.5 %) compared to Kshs. 2.372 billion in the year 2004. The overall growth in group life business during the year was just over 9%.

Contributions to deposit administration schemes during the year amounted to Kshs 3.875 billion (35 %) compared to Kshs 3.402 billion in the year 2004. The overall growth in deposit administration business during the year was 13.9%.

The gross premium income over the last four years is illustrated below: -

Graph 5: Long term business gross premiums



LONG TERM INSURANCE STATISTICS REPORT FOR 2005

The market share and distribution of Gross Direct Premium during the year 2005 is illustrated in table 16 and 17 below:

Table 16: Market Share for Long Term Business (Excludes Deposit Administration)

COMPANY		GROSS PREMIUM (2005)				GROSS PREMIUMS (2004)	
		Ordinary Life	Group Life	Total	Market Share	Total	Market Share
1	Apollo	33,598	134,319	167,917	2.35%	51,009	0.78%
2	Blue Shield	50,978	64,700	115,678	1.62%	96,758	1.47%
3	British American	1,085,819	189,564	1,275,383	17.83%	1,100,159	16.76%
4	Cannon	71,785	1,919	73,705	1.03%	67,808	1.03%
5	CFC Life	680,538	67,967	748,505	10.46%	715,113	10.89%
6	Co-operative	26,454	526,578	553,033	7.73%	470,962	7.18%
7	Corporate	38,171	518	38,689	0.54%	32,402	0.49%
8	Geminia	7,701	2,911	10,613	0.15%	9,414	0.14%
9	First Assurance	-	16,512	16,512	0.23%	-	-
10	Heritage All	-	99,304	99,304	1.39%	115,098	1.75%
11	ICEA	251,364	415,875	667,239	9.33%	584,040	8.90%
12	Jubilee	229,827	249,812	479,639	6.71%	541,451	8.25%
13	Kenindia	161,730	82,988	244,718	3.42%	266,731	4.06%
14	Kenyan Alliance	1,409	39,929	41,339	0.58%	51,525	0.78%
15	Madison	412,133	97,852	509,985	7.13%	517,447	7.88%
16	Mercantile	29,677	40,479	70,156	0.98%	67,977	1.04%
17	Monarch	-	17,495	17,495	0.24%	4,299	0.07%
18	Old Mutual	462,512	54,701	517,213	7.23%	518,612	7.90%
19	Pan Africa	831,920	337,292	1,169,212	16.34%	1,065,885	16.24%
20	Pioneer	145,842	-	145,842	2.04%	137,849	2.10%
21	Trinity	30,198	387	30,585	0.43%	42,907	0.65%
22	UAP Insurance	15,688	144,907	160,595	2.25%	106,478	1.62%
	Total	4,567,345	2,586,009	7,153,354	100.00%	6,563,924	100.00%

Figures in Kshs. '000

Table 16 – Gross Premiums Distribution

Class of Business	2005		2004	
	Gross Premium (Kshs)	% Share	Gross Premium (Kshs)	% Share
Pensions	3,875,328	35.14%	3,401,847	34.14%
Ordinary Life	4,567,345	41.41%	4,191,271	42.06%
Group Life	2,586,009	23.45%	2,372,653	23.81%
Total	11,028,682	100.00%	9,965,771	100.00%

Figures in Kshs. '000

3.2 CLAIMS

The long term insurance business payment of claims and policyholder benefits totalled to Kshs. 6.870 billion versus Kshs 5.12 billion in 2004. The growth in claims and benefits paid was 34% which is higher than the premium growth of 10.6% over the same period.

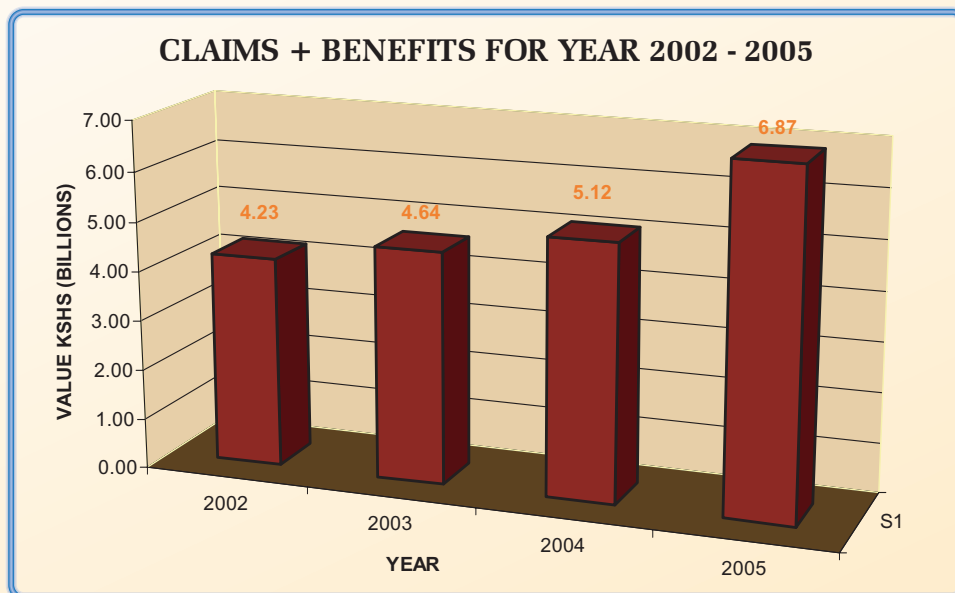
The distribution of gross claims paid for year 2005 is shown on table 18 below (Figures in Kshs.'000).

Table 18: Distribution of Claims In Long Term Business

Class of Business	YEAR 2005		YEAR 2004	
	Gross Claims Paid (Kshs)	Share	Gross Claims Paid (Kshs)	Share
Ordinary Life	2,724,640	39.69%	1,502,871	29.3%
Group Life	1,199,582	17.47%	892,779	17.4%
Pensions	2,941,397	42.84%	2,726,977	53.2%
Total	6,865,619	100.00%	5,122,627	100%

The claims paid over the last four years are illustrated below: -

Graph 6: Claims and benefits for year 2002 - 2005



The overall loss ratio recorded was 62%. The overall loss ratio in ordinary life business was 60% while that of group life business was 67%.

3.3 COMMISSION AND MANAGEMENT EXPENSES

The total operating and other expenses incurred during the year 2005 for life business (ordinary and group life) was Kshs. 2.138 billion compared to Kshs 1.769 Billion in the year 2004. Commission expenses amounted to Kshs. 1.003 Billion compared to Kshs 808 Million in the year 2004.

3.4 ASSETS AND LIABILITIES

The total assets held under long term insurance including deposit administration in the year 2005 was Kshs. 37.9 billion compared to 38.02 Billion in the year 2004. The total liabilities amounted to Kshs. 31.504 billion.

3.5 INVESTMENT INCOME

The overall investment income for the year 2005 was Kshs. 2.504 billion

3.6 DEPOSIT ADMINISTRATION BUSINESS

During the 2005/2006 budget, changes were instituted with regard to pension administration. The changes included limitation of access to benefits before attaining retirement age under the pension schemes, commutation of trivial pensions into a lump sum and members of pension schemes will earn interest incase of delay in payment of their dues among other legal reforms.

Records available from RBA indicate that the number of private pension fund managers was 12 while the number of registered private pension schemes as at 30/06/2006 was 795. The total number of schemes as at 30/06/2006 was 1392.

The value of their investment provisions also grew by 20.6% from 100.1 billion in December 2004 to Kshs. 120.7 billion in December 2005. The NSSF pension portfolio grew by 38% from Kshs. 39.5 billion to Kshs. 54.5 billion in 2005.

Growth of pension fund contributions has been witnessed with the deposit administration funds recording total contributions amounting to Kshs. 3.875 billion in 2005 compared to Kshs. 3.402 billion in 2004. The overall fund held by insurance companies increased to Kshs 21.109 billion from Kshs 18.539 billion in the year 2004. However, whereas most schemes are managed by insurance companies the fund held by insurance companies in relation to the overall private pensions industry in the country is only 17.5%.

Most insurance companies declared higher investment returns on funds compared to the previous year. The industry recorded average returns of 9.08% in 2005 compared to 7.61% in 2004.

The total interest paid by the industry on deposit administration schemes was Kshs 1.657 billion. The claims and benefits paid during the year amounted to Kshs 2.941 billion compared to Kshs 2.726 billion in 2004

Detailed reports of long-term business statistics for the year 2005 are annexed (Pg 17 - 20).

Table 19. Details on Pensions Administration Business

Company	PENSIONS CONTRIBUTIONS	MARKET SHARE	INTEREST RATE DECLARED-05	INTEREST RATE DECLARED-04	SURRENDERS AND ANNUITIES PAID	INTEREST PAYABLE TO POLICY HOLDERS	FUND AS AT START OF THE YEAR 1/1/05	LIFE FUND AT END OF YEAR 31/12/05
1 Apollo	70,226	1.81%	11.00%	8.00%	25,132	132,297	220,688	372,180
2 Blue Shield	34,743	0.90%	8.00%	8.00%	10,357	2,235	34,743	43,669
3 British American	124,934	3.22%	10.25%	7.50%	93,049	51,973	554,038	630,377
4 CFC Life	707,942	18.27%	8.50%	7.50%	613,094	259,518	3,259,350	3,613,716
5 Corporate	119	0.00%	5.00%	5.00%	0		3,490	3,609
6 Heritage All	119,583	3.09%	8.75%	8.00%	56,424	55,924	588,104	684,700
7 ICEA	1,433,721	37.00%	7.62%	6.00%	1,328,173	591,326	8,404,837	9,101,718
8 Jubilee	682,166	17.60%	10.50%	9.50%	213,471	239,711	2,178,108	2,926,248
9 Kenindia	468,296	12.08%	10.00%	8.50%	214,797	200,000	1,929,352	2,385,917
10 Kenyan Alliance	29,166	0.75%	10.00%	5.00%	17,152	13,495	133,713	159,223
11 Madison	102,436	2.64%	7.00%	6.00%	203,660	40,460	649,045	588,281
12 Mercantile	26,367	0.68%	7.00%	6.00%	18,023	6,730	148,702	172,276
13 Pan Africa	25,403	0.66%	11.00%	9.00%	38,105	21,721	157,423	166,442
14 UAP Insurance	50,226	1.30%	12.50%	12.50%	109,961	42,275	278,209	260,749
Total	3,875,328	100.00%	9.08%	7.61%	2,941,397	1,657,665	18,539,802	21,109,105

Figures in Kshs. '000



TABLE 20: DETAILED REPORT (ORDINARY LIFE)

LONG TERM BUSINESS STATISTICS (ORDINARY LIFE) - YEAR 2005 (figures in Kshs. '000)														
Company	GROSS PREMIUMS	MARKET SHARE	REASSURANCE	NET PREMIUM	CLAIMS + BENEFITS	COMMISSIONS	OPERATING & OTHER EXPENSES	TOTAL EXPENSES	INVESTMENT INCOME+OTHER INCOME	COMMISSION RATIO	LOSS RATIO	EXPENSE RATIO	COMBINED RATIO	OPERATIONS RATIO
1	Apollo	33,598	0.74%	0	33,598	19,937	5,493	19,426	44,856	92,182	59.34%	133.51%	192.85%	-81.52%
2	Blue Shield	50,978	1.12%	184	50,794	16,335	10,704	22,933	33,638	16,826	32.16%	66.22%	98.38%	65.26%
3	British American	1,085,819	23.77%	8,902	1,076,917	984,929	248,523	312,752	561,275	489,287	91.46%	52.12%	143.58%	98.14%
4	Cannon	71,785	1.57%	1,445	70,340	19,596	8,498	42,826	51,323	84,365	27.86%	72.96%	100.82%	-19.12%
5	CFC Life	680,538	14.90%	18,165	662,373	387,917	67,445	228,437	368,264	288,306	58.56%	55.60%	114.16%	70.64%
6	Co-operative	26,454	0.58%	4,469	21,985	2,845	9,292	8,305	17,597	1,000	12.94%	80.04%	92.98%	88.43%
7	Corporate	38,171	0.84%	760	37,411	20,676	13,693	11,498	25,183	7,094	55.27%	67.31%	122.58%	103.62%
8	Geminia	7,701	0.17%	660	7,041	1,095	1,437	1,857	3,294	12,996	15.55%	46.78%	62.34%	-122.25%
9	ICEA	251,364	5.50%	4,840	246,524	83,868	42,920	34,965	77,885	77,205	34.02%	31.59%	65.61%	34.30%
10	Jubilee	229,827	5.03%	4,667	225,160	162,756	28,825	131,497	323,078	235,363	72.28%	143.49%	215.77%	111.24%
11	Kenindia	161,730	3.54%	2,229	159,501	54,878	24,799	35,151	59,950	102,136	34.41%	37.59%	71.99%	7.96%
12	Kenyan Alliance	1,409	0.03%	17	1,426	1,351	208	815	1,023	947	94.74%	71.74%	166.48%	100.05%
13	Madison	412,133	9.02%	1,932	410,201	218,446	68,697	171,936	240,633	60,631	53.25%	58.66%	111.92%	97.13%
14	Mercantile	29,677	0.65%	4,280	25,397	19,834	4,068	13,555	37,257	11,860	78.10%	146.70%	224.79%	178.10%
15	Old Mutual	462,512	10.13%	5,919	456,593	87,950	111,725	211,570	323,295	134,275	19.26%	70.81%	90.07%	60.66%
16	Pan Africa	831,920	18.21%	1,368	830,552	540,093	192,666	287,104	1,019,863	189,941	65.03%	122.79%	187.82%	164.95%
17	Pioneer	145,842	3.19%	598	145,244	71,585	32,633	66,571	170,789	21,544	49.29%	117.59%	166.87%	152.04%
18	Trinity	30,198	0.66%	114	30,084	30,326	3,428	26,544	60,297	3,090	100.80%	200.43%	301.23%	290.96%
19	UAP Insurance	15,688	0.34%	0	15,688	224	5,465	11,071	16,760	1,072	1.43%	106.83%	108.26%	101.43%
	Total	4,567,345	100.00%	60,549	4,506,829	2,724,640	880,518	1,638,612	3,436,260	1,830,121	60.46%	76.25%	136.70%	96.09%

Ratio Computation:
 Commission Ratio = $\frac{\text{Commissions}}{\text{Net Premiums}}$
 Loss Ratio = $\frac{\text{Net Claims/Net Premiums}}{\text{Net Claims/Net Premiums}}$
 Expense Ratio = $\frac{\text{Total Expenses/Net Premiums}}{\text{Total Expenses/Net Premiums}}$
 Combined Ratio = $\frac{\text{Loss Ratio} + \text{Expense Ratio}}{\text{Loss Ratio} + \text{Expense Ratio}}$
 Operations Ratio = $\frac{\text{Combined Ratio} - (\text{Investment Income/Net Premiums Written})}{\text{Combined Ratio} - (\text{Investment Income/Net Premiums Written})}$

TABLE 21: DETAILED REPROT (GROUP LIFE)

LONG TERM BUSINESS STATISTICS (GROUP LIFE) - YEAR 2005 (Figures in Kshs. '000)														
Company	GROSS PREMIUMS	MARKET SHARE	REASSURANCE	NET PREMIUM	CLAIMS + BENEFITS	COMMISSIONS NET	OPERATING & OTHER EXPENSES	TOTAL EXPENSES	INVESTMENT INCOME+OTHER INCOME	COMMISSION RATIO	LOSS RATIO	EXPENSE RATIO	COMBINED RATIO	OPERATIONS RATIO
1	Apollo	134,319	5.19%	103,653	30,666	17,407	8,302	19,085	36,875	35.16%	56.76%	62.24%	119.00%	-1.25%
2	Blue Shield	64,700	2.50%	0	64,700	3,764	7,131	10,894	4,973	5.82%	88.90%	16.84%	105.73%	98.05%
3	British American	189,564	7.33%	111,655	77,909	62,382	24,134	35,170	19,643	14.17%	80.07%	45.14%	125.21%	100.00%
4	Cannon	1,919	0.07%	772	1,147	0	428	428	866	0.00%	0.00%	37.30%	37.30%	-38.15%
5	CFC Life	67,967	2.63%	11,356	56,611	18,577	21,098	41,699	4,732	3.58%	32.82%	73.66%	106.47%	98.12%
6	Co-operative	526,578	20.36%	44,364	482,214	277,266	162,066	166,328	15,550	0.88%	57.50%	34.49%	91.99%	88.77%
7	Corporate	518	0.02%	0	518	1,163	191	191	121	0.00%	22.45%	36.87%	261.39%	238.03%
8	Gemina	2,911	0.11%	2,405	507	108	342	526	922	36.15%	21.39%	103.72%	125.11%	-56.77%
9	First Assurance	16,512	0.64%	14,513	1,999	3,428	1,046	2,367	2,355	66.08%	171.49%	118.41%	289.90%	
10	Heritage All	99,304	3.84%	35,010	64,294	44,385	22,862	29,400	31,753	10.17%	69.03%	45.73%	114.76%	65.37%
11	ICEA	415,875	16.08%	86,199	329,676	253,563	69,955	334,511	183,535	3.33%	76.91%	101.47%	178.38%	122.71%
12	Jubilee	249,812	9.66%	52,979	196,833	72,350	59,083	64,317	174,839	2.66%	36.76%	32.68%	69.43%	-19.39%
13	Kenindia	82,988	3.21%	59,685	23,303	21,031	9,314	9,856	44,379	2.33%	90.25%	42.30%	132.55%	-57.90%
14	Kenyan Alliance	39,929	1.54%	29,896	10,033	15,222	14,742	18,145	23,334	33.92%	151.72%	180.86%	332.57%	100.00%
15	Maxifson	97,852	3.78%	35,625	62,227	33,101	17,684	28,125	10,042	16.78%	53.19%	45.20%	98.39%	82.25%
16	Mercantile	40,479	1.57%	16,641	23,838	25,026	3,082	6,059	12,247	12.49%	104.98%	25.42%	130.40%	79.03%
17	Monarch	17,495	0.68%	9,183	8,312	4,864	3,852	8,239	6,695	10.84%	58.52%	99.13%	157.64%	77.09%
18	Old Mutual	54,701	2.12%	7,388	47,313	15,840	6,589	6,589	7,217	0.00%	33.48%	13.93%	47.41%	32.15%
19	Pan Africa	337,292	13.04%	135,797	201,495	196,895	38,862	75,907	71,307	18.39%	97.72%	37.67%	135.39%	100.00%
20	Trinity	387	0.02%	0	387	0	226	226	0	0.00%	0.00%	58.33%	58.33%	58.33%
21	UAP Insurance	144,907	5.60%	47,579	97,328	79,459	29,053	39,780	23,199	11.02%	81.64%	40.87%	122.51%	98.68%
	Total	2,586,009	100.00%	804,700	1,781,309	1,199,582	500,042	897,841	674,583	6.86%	67.34%	50.40%	117.75%	79.88%
											AVERAGE			

Ratio Computation:
 Commission Ratio = Commissions / Net Premiums
 Loss Ratio = Net Claims/Net Premiums
 Expense Ratio = Total Expenses/Net Premiums
 Combined Ratio = Loss Ratio + Expense Ratio
 Operations Ratio = Combined Ratio - (Investment Income/Net Premiums (Written))



TABLE 22: DETAILED REPORT (GROUP LIFE & ORDINARY LIFE)

LONG TERM BUSINESS STATISTICS - YEAR 2005 (Figures in Kshs. '000)														
Company	GROSS PREMIUMS	MARKET SHARE	REASSURANCE	NET PREMIUM	CLAIMS + BENEFITS	COMMISSIONS NET	OPERATING & OTHER EXPENSES	TOTAL EXPENSES	INVESTMENT INCOME + OTHER INCOME	COMMISSION RATIO	LOSS RATIO	EXPENSE RATIO	COMBINED RATIO	OPERATIONS RATIO
1	Apollo	167,917	2.35%	103,653	64,264	37,344	16,276	27,728	129,057	25.33%	58.11%	99.50%	157.61%	-43.22%
2	Blue Shield	115,678	1.62%	184	115,494	73,850	14,468	30,064	21,799	12.53%	63.94%	38.56%	102.50%	83.63%
3	British American	1,275,383	17.83%	120,557	1,154,826	1,047,311	259,559	336,886	508,930	22.48%	90.69%	51.65%	142.34%	98.27%
4	Cannon	73,705	1.03%	2,217	71,488	19,596	8,498	43,254	85,231	11.89%	27.41%	72.39%	99.80%	-19.42%
5	CFC Life	748,505	10.46%	29,521	718,984	406,494	69,469	249,535	293,038	9.66%	56.54%	57.02%	113.56%	72.80%
6	Co-operative	553,033	7.73%	48,833	504,199	280,111	13,554	170,371	16,550	2.69%	55.56%	36.48%	92.03%	88.75%
7	Corporate	38,689	0.54%	760	37,929	21,839	13,693	11,689	7,215	36.10%	57.58%	66.90%	124.48%	105.46%
8	Gemina	10,613	0.15%	3,065	7,547	1,203	1,620	2,199	13,918	21.47%	15.94%	50.61%	66.55%	-117.86%
9	First Assurance	16,512	0.23%	14,513	1,999	3,428	1,321	1,046	2,355	66.08%	171.49%	118.41%	289.90%	172.09%
10	Heritage All	99,304	1.39%	35,010	64,294	44,385	6,538	22,862	31,753	10.17%	69.03%	45.73%	114.76%	65.37%
11	ICEA	667,239	9.33%	91,039	576,200	337,431	53,913	104,920	260,740	9.36%	58.56%	71.57%	130.13%	84.88%
12	Jubilee	479,639	6.71%	57,646	421,993	235,106	34,059	190,580	410,202	8.07%	55.71%	91.80%	147.51%	50.31%
13	Kenindia	244,718	3.42%	61,914	182,804	75,909	25,341	44,465	146,515	13.86%	41.52%	38.19%	79.71%	-0.44%
14	Kenyan Alliance	41,339	0.58%	29,913	11,459	16,573	3,611	15,557	24,281	31.52%	144.63%	167.28%	311.91%	100.01%
15	Madison	509,985	7.13%	37,557	472,428	251,547	79,138	189,620	70,673	16.75%	53.25%	56.89%	110.13%	95.17%
16	Mercantile	70,156	0.98%	20,921	49,235	44,860	7,045	16,437	24,107	14.31%	91.11%	87.98%	179.09%	130.13%
17	Monarch	17,495	0.24%	9,183	8,312	4,864	901	3,852	6,695	10.84%	58.52%	99.13%	157.64%	77.09%
18	Old Mutual	517,213	7.23%	13,307	503,906	103,790	111,725	218,159	141,492	22.17%	20.60%	65.47%	86.06%	57.98%
19	Pan Africa	1,169,212	16.35%	137,165	1,032,047	736,988	229,711	325,966	261,248	22.26%	71.41%	106.17%	177.58%	152.27%
20	Pioneer	145,842	2.04%	598	145,244	71,585	32,633	66,571	21,544	22.47%	49.29%	117.59%	166.87%	152.04%
21	Trinity	30,585	0.43%	114	30,470	30,326	3,428	26,769	3,090	11.25%	99.53%	198.63%	298.15%	288.01%
22	UAP Insurance	160,595	2.25%	47,579	113,016	79,683	16,192	40,124	24,271	14.33%	70.51%	50.03%	120.53%	99.06%
	Total	7,153,354	100.00%	865,249	6,288,139	3,924,222	1,002,693	2,138,654	2,504,705	15.95%	62.41%	68.93%	131.33%	91.50%

Notes: Figures exclude deposit administration
 Ratio Computation:
 Commission Ratio = $\frac{\text{Commissions}}{\text{Net Premiums}}$
 Loss Ratio = $\frac{\text{Net Claims}}{\text{Net Premiums}}$
 Expense Ratio = $\frac{\text{Total Expenses}}{\text{Net Premiums}}$
 Combined Ratio = $\frac{\text{Loss Ratio} + \text{Expense Ratio}}{1}$
 Operations Ratio = $\frac{\text{Combined Ratio} - (\text{Investment Income} / \text{Net Premiums})}{1}$

AKI MEMBER COMPANIES

COMPANY	CHIEF EXECUTIVE	TELEPHONE NO	FAX NO.
African Merchant Assurance	Mr Kennedy Abincha	312121	340022
CFC Life Assurance	Mr Gerald Eaton	2866000	2718365
A I G Global Insurance Co	Mr Japh Olende	3676000	36760001
APA Insurance Company	Mr A.K.M. Shah	343585	343594
Apollo Assurance	Mr George Dikinya	2862000	221423
Blue Shield Insurance Co	Mr P Kulova Wanjala	227932	249088
British American Insurance	Mr Ben I. Wairegi	2710927	2717625
Cannon Assurance Co	Mr Maina Mukoma	342150	341910
Concord Insurance Company	Mr Francis Irungu	2720166	2725956
Co-operative Insurance	Mr Nelson Kuria	2823000	2823330
Corporate Insurance	Mr David Ngugi	2717617	2717775
Directline Assurance Company	Mr Harrison Mugo	242405	242746
Fidelity Shield Ins. Co. Ltd.	Mrs S.N. Sumar	4447860	4445699
First Assurance Company	Mr S. Githiga	577737	572204
Gateway Ins. Co. Ltd.	Mr G. W. Karuri	2713131	2713138
Geminia Insurance Company	Mr B.R. Shah	223940	219338
General Accident Ins Co.	Mr S.R. Shah	2711633	2714542
The Heritage All Ins. Co.	Mr. J.H.D. Milne	3749118	3752621
Insurance Company of E. A	Mr J.K. Ndung'u	221652	223803
Intra Africa Assurance Co.	Mr G. Njenga	2712610	2712612
Invesco Assurance Company	Mr Sam Muhindi	2891000	2734903
Jubilee Insurance Company	Mr Z. Mohamed	32081000	32081150
Kenindia Assurance Company	Mr I. J. Jain	316099	218380
Lion of Kenya Ins. Company	Mr John Kimeu	2710400	2711177
Kenya Orient Ins. Company	Mr S. Karoki	2728648	2728605
Kenyan Alliance Insurance	Mr W. M. Mbugua	216450	217340
Madison Insurance Company	Mr Joe Murage	2864000	2723344
Mayfair Insurance Company	Mr Tushar Shah	315703	315645
Mercantile Insurance	Mr Supriyo Sen	243681	215528
Monarch Insurance Company	Mr. Eliud M. Muriithi	310042	310351
Occidental Insurance Co	Mr S G Ray	3750163	3750193
Old Mutual Life Assurance	Mr S.L. Henderson	2728881	2722415
Pacis Insurance Company	Mr P Makhanu	4452560	4446167
Pan Africa Life Assurance	Mr A. Greenwood	247245	243297
Phoenix of E. A. Assurance	Mr M.P Shashidharan	229302	211848
Pioneer Gen. Assurance Co.	Mr Moses Kimani	220814	224985
Royal Insurance Company	Mr S.K. Kamau	2712620	2717888
Standard Assurance Company	Mr Elijah Adul	224862	224071
Tausi Insurance Company	Mr K.S. Sembi	3746602	3746618
Trident Insurance Company	Mr S.K. Singh	2721710	2726234
Trinity Life Assurance	Mr J Macharia	244282	249835
UAP Provincial Ins. Co. Ltd.	Mr J.N. Muguiyi	2850000	2719030



