



Insurance Industry Annual Report 2012



PURPOSE

Growth and Development of the Insurance Industry

CORE VALUES

*Integrity, Quality Service Delivery,
Flexibility, Innovation,
Professionalism and Teamwork*

VISION

To be Africa's leading Insurance Association

MISSION

To provide, promote and champion excellence in the Kenyan Insurance Industry

TARGET

To achieve industry turnover of Kshs. 250 billion by 2015



INSURANCE INDUSTRY ANNUAL REPORT 2012



Disclaimer

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Abbreviations and Acronyms

AKI	Association of Kenya Insurers
AML	Anti Money Laundering
EAC	East Africa Community
FDI	Foreign Direct Investments
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
IRA	Insurance Regulatory Authority
KRA	Kenya Revenue Authority
Kshs	Kenya Shilling
USD	United States Dollar
WIBA	Work Injury Benefits Act



AKI Board Members



M. Obuya
Chairman



M. Mukoma - *Deputy Chairman*



T. Gitogo - *Deputy Chairman*



A. Ghosh - *Member*



H. Bashir - *Member*



J. Olende - *Member*



M. Sarma - *Member*



A. Munda - *Member*



J. Mutiga - *Member*



T. Madzinga - *Member*



S. Wandera - *Ex-Official*



T. Gichuhi - *Executive Director/Secretary*

Chairman's Statement



The Insurance Industry Annual Report is an annual publication of the Association of Kenya Insurers (AKI). The report presents the performance of the insurance industry in Kenya for the year 2012 and highlights the global insurance performance.

In the year 2012, the global economy experienced slowed recovery against the backdrop of a recession in the Euro Area and unexpected reduction in economic activities of many emerging market economies. According to the Kenya Economic Survey 2013, the World real GDP increased by 3.2% in 2012 compared to 3.9% in 2011. The reduced growth resulted to slowed world trade and uncertainty in advanced economies which also affected performance in emerging market and developing economies.

In Africa, growth in Sub Saharan economies expanded marginally by 5.3% in 2012 compared to 5.2% in 2011. However, growth was subdued in several African countries due to poor export performance, political and social tensions especially in Mali and Guinea. However in 2013, Africa's economic performance is expected to remain favourable, supported by expanding mining sector and increasing Foreign Direct Investments (FDI's) due to the persistent Euro crisis as well as gradual improvement of global economic conditions mainly in USA and Japan.

In East Africa, real GDP remained constant at 5.5% for both 2012 and 2011. This was a result of the pressure on food and fuel prices easing up following a surge in 2011. Inflation in the East Africa Community region dropped to 8.5% from a high of 20.1% in 2011. The drop was associated with tightening of monetary policies and continued political stability as well as favourable weather conditions.

The Kenyan economy recorded a growth of 4.6% in 2012 compared to 4.4% in 2011. It recorded a sluggish growth in the first half of 2012 but there was a rebound in the second half due to stronger performance in the agricultural sector, easing of monetary policy and the coming in of the short rains that helped to fuel economic growth. The main sources of growth were agriculture, trade and transport & communication, which contributed to 17.6%, 15.2% and 10.8% of the overall GDP growth respectively.

The Kenya Shilling was relatively stable for most of 2012 though it weakened by 1.2% against the US dollar. The level of inflation declined for most of 2012 to 3.2% in December, from 18.3% at the start of the year. Low food and transport costs had a positive effect on the level of inflation as supply side factors continued to abate. The twelve months overall inflation of 9.6% for the year 2012 was much lower than the 14% recorded in the previous year.

The Insurance Industry recorded a gross written premium of Kshs. 108.54 billion in 2012 compared to Kshs. 91.60 billion in 2011, representing an increase of 18.49%. Gross earned premium increased by 19.0% to stand at Kshs. 84.38 billion in 2012 compared to Kshs. 70.92 billion in 2011. Profit before tax increased to Kshs. 14.80 billion from Kshs. 9.68 billion in 2011. The overall insurance penetration marginally increased to 3.16% in 2012 compared to 3.02% in 2011.

I do hope that you will find this annual report a useful source of information on the performance of our industry. I wish to encourage you to interrogate the report, identify the challenges and offer solutions that will help in moving the insurance industry forward.

Mark J. Obuya
Chairman, AKI



Executive Director's Report



The overall performance of Insurance worldwide improved in year 2012 compared to 2011. However, as in the recent past, most of this growth was contributed by the emerging markets.

Africa continues to register the lowest contribution to the global insurance premium at 1.6%. The average insurance penetration in Africa is about 3.6%. This average is however boosted by the very high penetration in South Africa, Namibia, Mauritius and Kenya. Otherwise, most African countries have penetration levels well below 1%. Insurance density in Africa averages about 65 US Dollars compared to over 5000 US Dollars in Japan and 400 US Dollars in Brazil. Kenya has been able to grow its penetration from 2.5% to 3.16% in the last seven (7) or so years. The projection is that by 2015, penetration will move to 3.5%.

In the same period the portfolio mix (proportion of Life and Non-Life Insurance Premium to the total premium) has moved from 25/75% in favour of Non-Life Insurance to the current ratio of 34/66%. This is a marked improvement in the growth and development of Life Insurance. At this rate it is not completely inconceivable to see this ratio hit 40/60% mark by 2015.

The Kenyan Insurance Market once again managed an overall growth of 18% in 2012 against 15% in 2011. With the economy expected to grow by a higher margin in 2013, it is expected that this year's growth will hit the 20% mark or beyond. The major drivers of this growth remained the same traditional products viz-motor, medical and fire industrial.

As noted elsewhere, penetration moved up marginally from 3.05 to 3.16%. Although this is not a number to be particularly proud of, it is important to appreciate that it is the fourth highest in Africa and higher than Mexico, Russia and China. However, despite these achievements, the insurance industry in Kenya continues to be dogged by some negative attributes such as unhealthy competition leading to rate cutting, apathy by consumers due to poor image, fraud and low level of consumer awareness.

Strict legislative and regulatory requirements seem to be setting in by the day. Major changes have been introduced in the Insurance Act and other legislations. In as much as a good number of these changes will impact positively in the area of corporate governance others will certainly impact negatively on a number of insurance companies. AKI will continue to engage the Insurance Regulatory Authority (IRA) and by extension the Government to ensure that changes in the Law are not counter-productive.

Tom M. Gichuhi
Executive Director, AKI



1. Economic Overview



The Kenya Economic Survey 2013 launched in May 2013 by the Cabinet Secretary for Devolution and Planning states that the global economy dropped from 3.9 % in 2011 to 3.2 % in 2012. Reasons that contributed to this drop included the rise in oil prices in the international markets, the ongoing economic turmoil in the euro zone, slowed growth in emerging markets and developing economies due to weak demand from advanced economies.

The domestic economy in 2012 showed improvement despite a myriad of challenges that included a turbulent global economy, delayed long rains and a weakened Kenya shilling in the beginning of the year. Other factors that were attributed to the improvement included the stable macroeconomic environment, increased domestic demand, modest growth in credit, notable growths in Agriculture, Wholesale & Retail Trade, and Transport & Communication. Sectoral

analysis shows that in comparison to 2011 all sectors recorded positive growth with the most significant growth being in the Agriculture sector (2012:3.8%; 2011:1.5%).

Real GDP expanded by 4.6% in 2012 as compared to 4.4% in 2011 and is forecast to improve in 2013 based on the following fundamentals: increased investor and business confidence due to peaceful March 2013 elections; sufficient rainfall so far; stable macroeconomic environment; a projected easing and stability of international oil prices; stability of the Kenya shilling; and reforms in the security, governance and justice sectors. Annual inflation decreased from 14.0% in 2011 to 9.4% in 2012. This decline was largely attributed to better food supply resulting from favourable weather conditions.



The financial services sector recorded negative growth of 6.5% in 2012 compared to 7.8% in 2011. Growth in the sector was slowed mainly by tight monetary policy in the first half of 2012 and relatively slow pace of lowering the lending rates despite significant drop in the Central Bank Rate in the second half of the year.

Agriculture recorded growth of 3.8% in 2013, compared to 1.5% in 2011. This was attributed to increased production of key crops except horticulture, tea and pyrethrum which recorded a decline.

Manufacturing sector recorded negative growth of 3.1% in 2012 compared to 3.4% in 2011 mainly due to high cost of production, stiff competition from imported goods, high cost of credit and political uncertainty due to the 2013 general election.

Tourism sector recorded negative growth with tourism earnings decreasing by 1.9% from Kshs. 97.9 billion in 2011 to Kshs. 96.0 billion in 2012. International visitor arrivals reduced by 6.1% from 1.8 million in 2011 to 1.7 million in 2012. This decline is attributable to the slowdown in the global economy particularly the Euro Zone as well as the travel advisories following security concerns in the country.

Building and construction sector recorded growth of 4.8% in 2012 compared to 4.3% in 2011. Loans and advances to the sector increased by 36.2% from Kshs. 50.8 billion in 2011 to Kshs. 69.2 billion in 2012. Overall expenditure for the Ministry of Roads in 2011/2012 financial year stood at Kshs. 91.5 billion and is expected to rise to Kshs. 117.6 billion in the 2012/13.

Transport and communication sector recorded growth of 4.0% in 2012 compared to 4.7% in 2011 with transport sub-sector growing by 3.1% in 2012 compared to 4.9% in 2011 while the communication sub-sector expanded by 5.3% in 2012 as compared to 4.3% in 2011.

Mobile subscriber base rose from 25.3 million in 2011 to 29.7 million in 2012 with mobile money transfer subscriptions increasing from 17.4 million in 2011 to 19.5 million in 2012. Total internet subscriptions recorded a 37.1% growth from 6.2 million in 2011 to 8.5 million in 2012.

Value of total exports grew from Kshs. 512.6 billion in 2011 to Kshs. 517.8 billion in 2012 while the value for total imports grew from Kshs. 1300.7 billion in 2011 to Kshs. 1374.6 billion in 2012. This resulted in the worsening of the country's trade balance by 8.7%.

The country's current account deteriorated to a deficit of Kshs. 359.5 billion in 2012 from a deficit of Kshs. 340.2 billion in 2011 mainly due to the widening of the visible trade deficit. Real GDP growth is expected to increase to 4.5% in 2013 and 5.2% in 2014. Similarly, consumer price index inflation is expected to remain in the single-digit range over the same period.

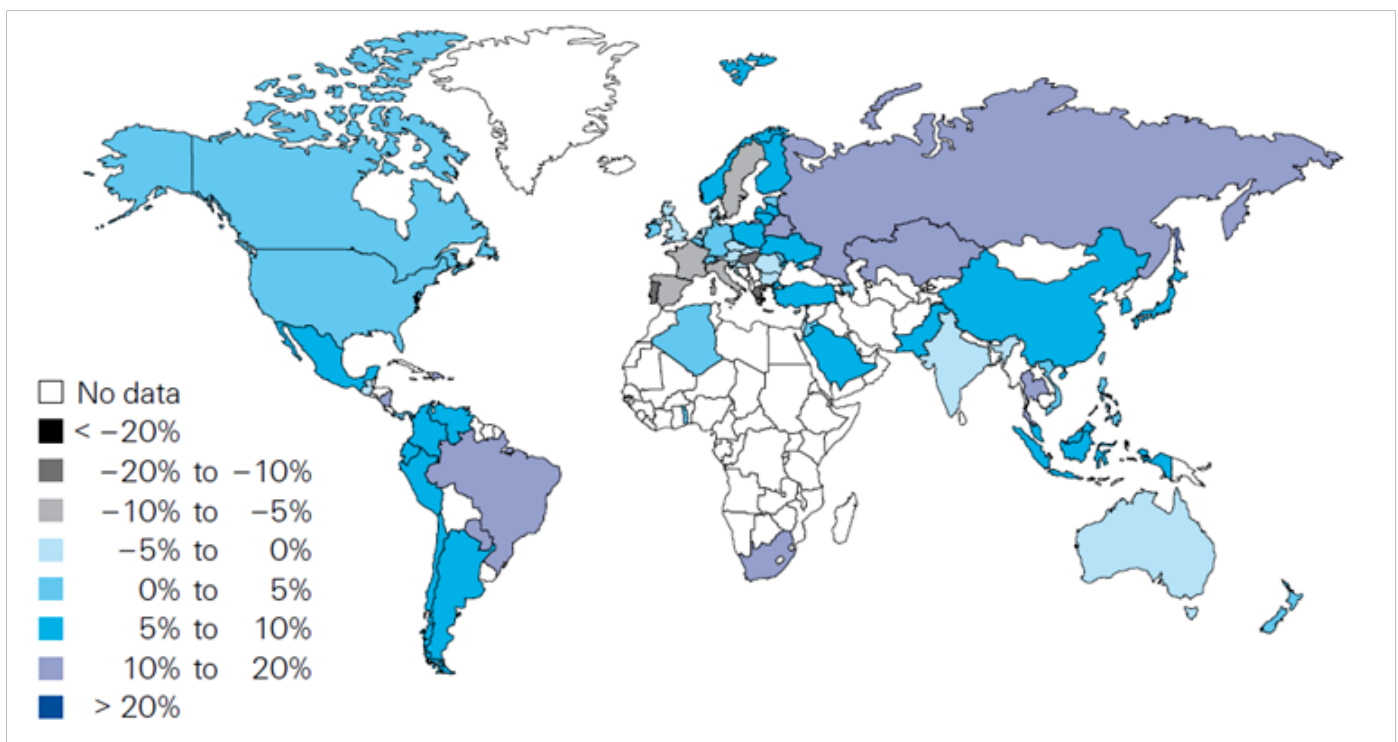
2. World Insurance Performance in 2012

The economic environment and financial markets in 2012 were challenging for insurers. Economic growth slowed in most advanced markets and Western Europe fell back into recession. Emerging markets growth slowed due to their reliance on exports to advanced markets. Expansionary monetary policies kept interest rates low and boosted equity markets. Weak economic growth weighed on exposure growth of non-life insurance, elevated unemployment figures in many advanced markets which reduced the demand for life insurance, while low interest rates continued to be a drag on profitability.

Table 1: Total Real Premium Growth Rates

	Life	Non-Life	Average
Industrialised countries	1.8%	1.5%	1.7%
Emerging markets	4.9%	8.6%	6.8%
World	2.3%	2.6%	4.2%

Source: Swiss Re - Sigma 3/2013



Source: Swiss Re – Sigma 3/2013



2.1 Global Life Insurance Premiums

Global life insurance premiums increased by 2.3% in 2012 to USD 2621 billion after contracting by 3.3% in the previous year. Growth improved in all key emerging markets and premiums expanded by 4.9%. This came after a sharp decline in 2011 due to contractions in India and China following regulatory changes. In advanced markets, growth was 1.8% (2011: -3%), largely supported by the robust performance in advanced Asia and the US, while Western Europe continued to shrink. Profitability, especially on the life side, remains subdued due to the protracted low interest rate environment.

2.2 Global Non Life Insurance Premiums

Non-life premium growth continued to accelerate moderately, growing by 2.6% in 2012 to USD 1992 billion (2011: 1.9%). In emerging markets, non-life premiums registered solid, broad-based growth of 8.6% in 2012 (2011: 8.1%). Advanced markets growth picked up slightly to 1.5% (2011: 0.9%), expanding for the fourth consecutive year since declining in 2008.

Non-life underwriting results improved moderately from selective rate increases and continued reserve releases. The industry remains well capitalised, even though Generally Accepted Accounting Principles (GAAP) figures overstate current capital levels because of low interest rates.

Table 2: Insurance Penetration and World Market Share

Region	Life Premiums USD	Life Insurance Penetration	Non-Life Premiums USD	Non-Life Insurance Penetration	Overall Penetration	Total Premiums USD	Share of World Market (%)
North & Latin America	691372	4.85	870781	6.18	11.03	1562153	33.87
Europe	876444	3.89	658732	2.84	6.73	1535176	33.28
Asia	957712	4.09	388511	1.64	5.73	1346223	29.19
Africa	49888	2.53	22002	1.12	3.65	71891	1.56
Oceania	45448	2.62	51623	2.98	5.60	97071	2.10
World	2620864	3.69	1991650	2.81	6.50	4612514	100.00

Swiss Re. Sigma No.3/13

2.3 Insurance Penetration and Density

In 2012, an average of USD 3677 per capita in nominal terms was spent on insurance in the advanced markets. This is slightly less than in the previous year as life insurance spending fell to USD 2133 from USD 2152 and non-life remained unchanged at USD 1545. Overall insurance penetration remained essentially unchanged at 8.6%.

Table 3: Premium, Insurance Density and Penetration

Region	Country	Life Premiums USD Billion	Non-Life Premiums USD Billion	Total Premiums USD Billion	Insurance Density (USD)	Insurance Penetration %
Advanced Markets.	USA	567756	703128	1270884	4047	8.18
	Japan	524372	129740	654112	5167	11.44
	UK	205918	105500	311418	4350	11.27
	France	149346	93112	242459	3543	8.92
	Germany	106411	125497	231908	2804	6.74
	Italy	93273	50945	144218	2221	6.73
	Hong Kong	28979	3738	32717	4543	12.44
Emerging Markets	Brazil	44784	37483	82267	414	3.65
	Mexico	10844	13138	23982	206	2.04
	Russia	1732	24296	26027	182	1.33
	China	141208	104302	245511	178	2.96
	India	53300	13142	66441	53	3.96
Africa	Africa	49888	22002	71891	67	3.6

Swiss Re. Sigma No.3/13

Source: Swiss Re, Economic Research and Consulting

Insurance penetration = premiums as % of GDP; Insurance Density = Premiums per Capita.



2.4 Global Catastrophic Losses

In 2012, insured and uninsured losses due to disasters were estimated at USD 186 billion, compared to USD 403 billion in 2011, the year with the highest total economic losses on record. The hardest hit region was North America with losses of USD 119 billion. Insured losses from natural catastrophes were estimated at USD 71 billion; while man-made disasters cost the insurance sector approximately USD 6 billion. This makes 2012 the year with the third-highest insured catastrophe losses after 2011 and 2005. The gap between economic and insured losses of USD 109 billion points to the widespread lack of insurance protection in advanced and emerging markets. Natural catastrophes and man-made disasters claimed approximately 14000 lives.

Table 4: Global Catastrophe Losses Data

Region	Number	Victims	in %	Insured loss in USD Billion	in %	Total Loss in USD Billion
North America	43	560	4.0%	64.6	83.6%	118.5
Latin America & Caribbean	30	1 167	8.4%	0.9	1.2%	4.2
Europe	33	1 480	10.7%	5.5	7.1%	26.8
Africa	53	2 300	16.5%	0.2	0.3%	1.5
Asia	115	7 177	51.5%	3.4	4.4%	30.5
Oceania/Australia	7	97	0.7%	0.3	0.4%	1.1
Seas/Space	37	1 148	8.2%	2.4	3.1%	3.1
Total	318	13 929	100.0%	77.2	100%	185.7

North America was the most affected region in 2012, in terms of both insured losses (roughly USD 65 billion) and economic losses (over USD 118 billion). Losses were primarily caused by Hurricane Sandy and the severe drought in the Corn Belt.

2.5 Global Outlook For 2013

Growth in life insurance will remain sluggish in 2013, due to weak economic growth in the advanced markets limiting demand. The advanced Asian economies will perform better and life insurance will continue its steady growth trend. In emerging markets, premium growth will accelerate in 2013, supported by India and China, which are expected to return to positive growth. In China, the demand for life savings products should rise as alternative

savings products become less attractive due to a regulatory clampdown, while premiums in India should recover as the economy and the capital markets improve and insurers continue to adapt to the new regulations. Premium growth is expected to remain strong in Latin America and improve in Africa and the Middle East supported by rising income and increasing risk awareness. Premium growth in Central and Eastern Europe is likely to decelerate in 2013 as the economies slow down in Russia and Poland, the two largest markets in the region.

The outlook is positive for the non-life insurance industry. Rate increases will only be moderate since capacity remains abundant and economic conditions are difficult. Growth should be strong in most emerging markets given their more robust economic outlook and increasing penetration.

2.6 Insurance Performance in Africa

Table 5: 2012 Premiums in Africa

Class	USD billion	World Market Share in %
Life	50	1.9%
Non-life	22	1.1%

Source: Swiss Re - Sigma 3/2013

2.6.1 Life Insurance

Life insurance premium in Africa is estimated to have increased by 14% to USD 50 billion in 2012. South Africa, the region's dominant market, accounts for about 90% of regional life premium volume. Elsewhere in Africa, data availability is very limited for 2012. Premium in Algeria, the ninth largest market, is estimated to have declined by 6.4% (2011: -6.8%). In other countries in the region, the latest available data (2011) suggests that premium volumes have expanded in most African countries.

The African insurance market has strong growth potential, especially in sub-Saharan Africa, driven by economic activity which will boost demand for insurance. Life insurance penetration in sub-Saharan Africa, though still very low, is increasing gradually along with rising awareness of the importance of insurance, efforts by insurance companies to expand their presence by introducing micro insurance and Takaful, as well as use of alternative distribution channels. In South Africa, premium growth is likely to be sustained by increases in annuity sales.

2.6.2 Non-life insurance

Non-life premium in Africa is estimated to have shrunk by 1% in 2012, driven by the largest market, South Africa, where premium shrank by 1.4% (2011: +4.3%). Premium rates were restrained by intense competitive pressure as new entrants sought to attract business by charging low premium. Elsewhere in Africa, Algeria – one of the few countries with data for 2012 – recorded moderate growth of 3.2%. In terms of profitability, the South African non-life insurance industry had higher claims costs due to the depreciation of the rand and a number of catastrophic events.

The outlook for the African markets remains largely positive. In South Africa, continuing infrastructure projects and a growing middle class should boost market penetration as household and corporate wealth translates into higher demand for insurance. In many other sub-Saharan African markets, the bright economic outlook should support the non-life insurance sectors as investments and private consumption continue to expand healthily. In the North, political instability will continue to provide a difficult environment for insurance.



Table 6: Summary of Insurance Performance in Selected Countries in Africa

Country	Life Premium (USD Millions)	Life Penetration %	Non -Life Premium (USD Millions)	Non-Life Penetration %	Total Premium (USD Millions)	Total Penetration %
Kenya	436	1.08	855	2.08	1290	3.16
Algeria	93	0.05	1161	0.62	1250	0.68
Egypt	785	0.31	1033	0.41	1818	0.72
Morocco	930	0.96	1354	1.99	2857	2.95
Nigeria	474	0.18	1354	0.51	1828	0.68
Tunisia	123	0.27	694	1.53	816	1.80
Mauritius	442	4.00	213	1.93	655	5.94
Angola	57	0.05	1083	0.94	1140	0.99
Namibia	674	5.5	306	2.5	980	8.00
South Africa	44787	11.56	10084	2.6	54871	14.16

Source: Swiss Re - Sigma 3/2013

3. Kenyan Insurance Sector

There were 46 operating insurance companies as at the end of 2012. 23 companies wrote non-life insurance business only, 11 wrote life insurance business only while 12 were composite (both life and non-life). There were 170 licensed insurance brokers, 24 medical insurance providers (MIPs) and 4862 insurance agents. Other licensed players included 140 investigators, 92 motor assessors, and 21 loss adjusters, 3 claims settling agents, 10 risk managers and 27 insurance surveyors.

Table 7: Insurance Industry Players in Kenya

Year	Insurance Companies	Agents	Brokers	Investigators	MIPs	Insurance Surveyors	Risk Managers	Loss Adjusters	Motor Assessors
2007	43	2665	201	213	21	30	8	23	-
2008	42	3356	141	152	19	19	6	17	-
2009	44	3320	154	112	25	29	6	20	60
2010	46	3847	159	121	26	26	10	22	74
2011	45	4578	168	128	28	28	8	21	89
2012	46	4862	170	140	24	27	10	21	92

Source: Insurance Regulatory Authority

The penetration of insurance in Kenya is estimated at 3.16%. Initiatives such as improved regulatory framework, innovative products, adoption of alternative distribution channels, enhanced public education and use of technology have contributed to the improved penetration level in Kenya.

3.1 Premium Income

The industry recorded gross written premium of Kshs. 108.54 billion compared to Kshs. 91.60 billion in 2011, representing a growth of 18.49%. The gross written premium for non-life insurance was Ksh 71.46 billion (2011: Kshs. 60.67 billion) while that for life insurance was Ksh 37.08 billion (2011: Kshs. 30.93 billion).

Non-Life insurance premium grew by 17.78% while life insurance premium and contributions from deposit administration & investment/unit linked contracts grew by 19.88%. The industry has consistently recorded growth over the years as illustrated in table 8 and figure 1 below.

Table 8: Gross Written Premium for the Period 2005 - 2012

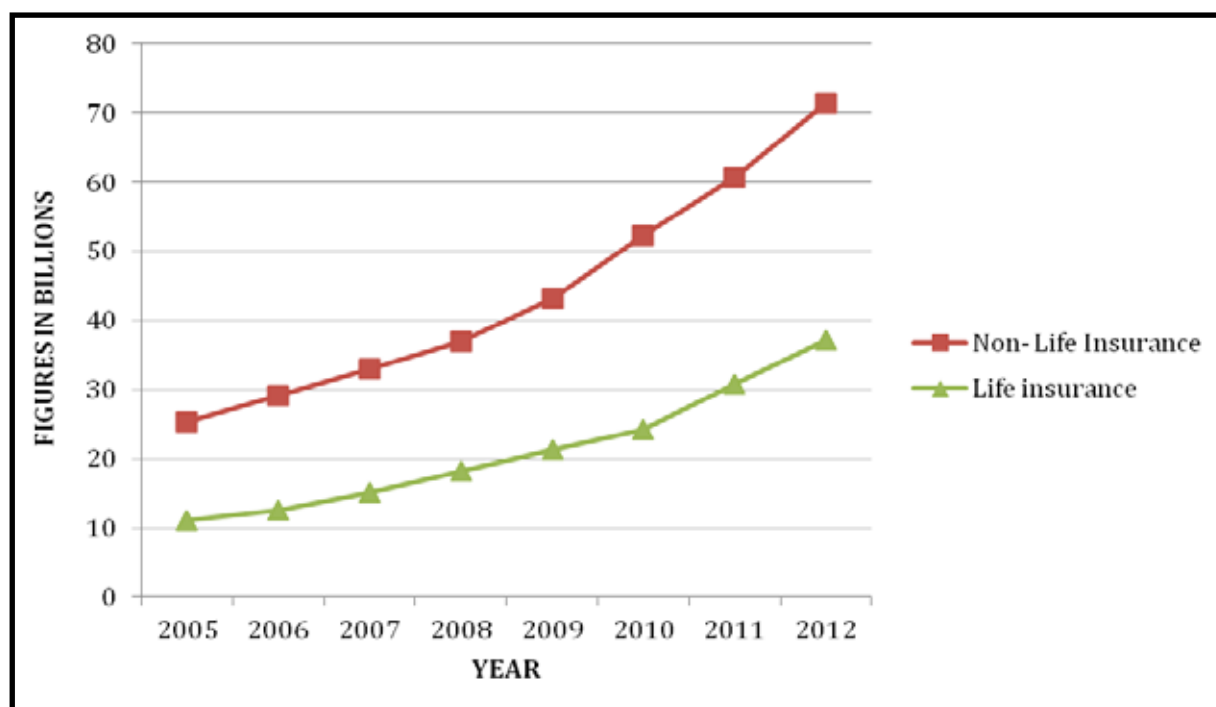
Year	2005	2006	2007	2008	2009	2010	2011	2012
Non-Life Insurance	25.39	29.20	32.95	36.89	43.11	52.35	60.67	71.46
Life insurance*	11.03	12.48	15.14	18.30	21.36	26.71	30.93	37.08
Total	36.42	41.68	48.09	55.19	64.47	79.06	91.60	108.54

Figures in Billion Kenya Shillings

Figures include deposit administration and investments/ unit linked contracts contributions.



Figure 1: Growth in Gross Written Premium (2005 – 2012)



3.2 Claims

The industry incurred net claims totaling Kshs. 48.36 billion in 2012 compared to Kshs. 37.69 billion in 2011, representing an increase of 28.31%.

3.3 Total Expenses

Total commissions and expenses for the industry was Kshs. 35.39 billion in 2012 (2011: Kshs. 27.29 billion), representing an increase of 29.68%.

3.4 Profitability

Industry earnings from investments and other income increased by 76.29% from Kshs. 19.36 billion in 2011 to Kshs. 34.13 billion in 2012. The combined industry profit before taxation increased by 52.89% from Kshs. 9.68 billion in 2011 to Kshs. 14.80 billion in 2012. The overall underwriting profit for non-life insurance was Kshs. 2.78 billion compared to Kshs. 2.49 billion in 2011.

3.5 Assets & Liabilities

Total assets held by the industry increased by 11.56% to Kshs. 271.91 billion in 2012 (2011: Kshs. 243.74 billion). Total liabilities increased by 6.92% to Kshs. 208.99 billion in 2012 (2011: Kshs. 195.47 billion). Net assets increased by 30.34% to Kshs. 62.93 billion in 2012 (2011: Kshs. 48.28 billion).

3.6 Insurance Performance Relative to the Economy

The performance of the industry relative to the Kenyan Gross Domestic Product for the period 2008 to 2012 is shown in table 9 and Figure 2 below.

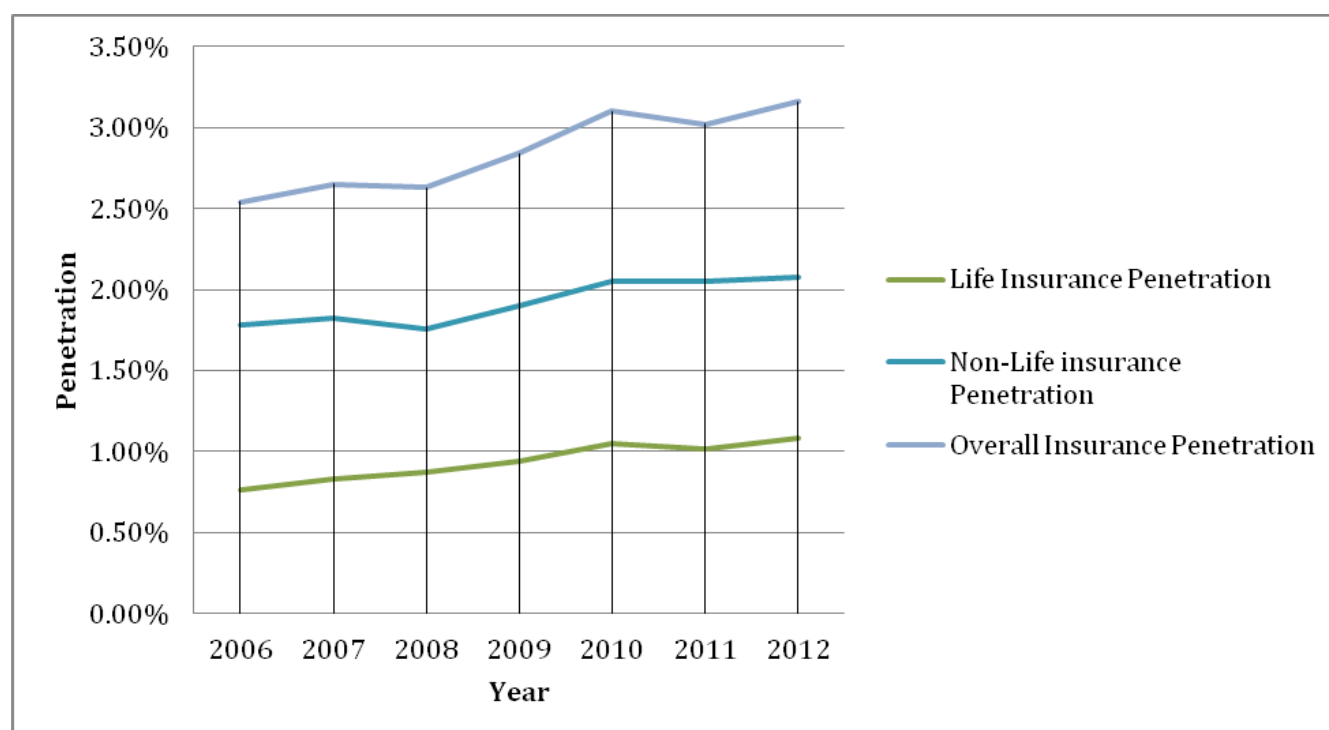
Table 9: Insurance Performance relative to the Gross Domestic Product

	2008	2009	2010	2011	2012
Gross Domestic Product (GDP) at market prices ¹	2,111	2,365	2,551	3,025	3,440
Life Insurance Premium*	18.30	21.36	26.71	30.93	37.08
Life Insurance Penetration	0.87%	0.94%	1.05%	1.02%	1.08%
Non-Life insurance Premium	36.89	43.11	52.35	60.67	71.46
Non-Life insurance Penetration	1.76%	1.90%	2.05%	2.00%	2.08%
Total Premium*	55.19	64.47	79.06	91.60	108.54
Insurance Penetration**	2.63%	2.84%	3.10%	3.02%	3.16%

Figures in billions Kenya shillings

*Includes deposit administration and unit linked contracts contributions.

$$**\text{Insurance Penetration} = \frac{\text{Gross Premium}}{\text{GDP}} * 100$$

Figure 2: Insurance Performance Relative to Gross Domestic Product

The penetration of insurance in the year 2012 was 3.16% compared to 3.02% in 2011. Life insurance recorded a penetration ratio of 1.08% (2011: 1.02%) while non-life insurance recorded 2.08% (2011: 2.00%).

¹ Source: Economic Survey 2013



4. Changes in Legislation (relevant to insurance) in 2012

4.1 Legal Notice No 57, the Insurance (Amendment) Regulations 2012

Effective 15th June, 2012, the following regulations touching on insurance business were amended:-

- i) A definition for Micro-insurance business was incorporated under the Third Schedule of the regulations with a corresponding amendment to the Eleventh Schedule that provides that the commission rate for Micro-insurance business will be 10%. The definition for Micro-insurance is as follows:-

“Micro -insurance business means the authorised insurance business that provides protection accessible to the low income population against specific perils in exchange for regular provision payments proportionate to that risk and managed in accordance with generally accepted insurance principles”

- ii) Legal Notice No 58, prescribed new minimum capital requirements for Reinsurers as follows:-

- For long term business three hundred million shillings(Kshs 300 million)
- For short term business five hundred million shillings (Kshs 500 million)

Reinsurers registered prior to 14th June 2012 have been given upto 14th June 2014 to comply with this proviso.

4.2 The Finance Act 2012

The following amendments under the Finance Act, 2012 took effect on 1st January, 2013

4.2.1 The Insurance Act, Cap 487

- a) Section 2 of the Insurance Act, Cap 487 was amended to allow the Authority to assess the suitability of a significant owner. A significant owner is defined as a person who holds more than ten (10%) percent of the controlling or beneficial interest in a person licensed under this Act.
- b) Under Section 3A the functions of the Authority were expanded to allow the authority to issue supervisory

guidelines, come up with prudential standards, and also share information with other regulatory authorities all aimed at strengthening the regulators role. The Authority was also given power to conduct inquiries or investigations in furtherance of its supervisory role.

- c) Under Section 54 Insurers are now required to submit their quarterly returns within thirty (30) days after the end of each quarter.
- d) Under Section 68(A) the Insurance Regulatory Authority has been empowered to carry out an assessment of the professional, financial and moral suitability (integrity test) for persons managing, controlling or having a significant ownership or significant beneficial interest in a person licensed under this Act. The criteria for such assessment will be prescribed under Regulations.
- e) The Banking Act Cap 488 has been amended to widen the distribution channels by introducing new business concepts such as banc assurance and agency banking.

4.2.2 The Consumer Protection Act 2012

The Consumer Protection Act, 2012 was passed by Parliament and subsequently received presidential assent in December 2012. This law applies to all consumer transactions and will affect all persons dealing with a consumer in Kenya, even if they do not have a business presence in the country. Insurers should put in place internal policies to deal with consumer complaints.

4.2.3 The Cancer Prevention and Control Act, 2012

This Act was passed by Parliament to enhance access to medical care for patients suffering from Cancer. Section 26 of the Cancer Prevention and Control Act 2012 bars the exclusion of insurance services and states that a person shall not be compelled to undergo cancer screening or to disclose their cancer status for the purpose only of gaining access to any credit or loan services, medical, accident or life insurance or the extension or continuation of any such service. However it gives leeway to the insurer, reinsurer or health maintenance organization in the case of life and healthcare insurance cover to devise



a reasonable limit of cover for which a proposer shall not be required to disclose his or her cancer status.

4.2.4 Proceeds of Crime and Anti Money Laundering (Amendment) Act, 2012

The Proceeds of Crime and Anti Money laundering Act, 2009 is now law. The broad objective of the Act was to:-

- criminalize money laundering,(cleaning or legitimizing assets/monies not acquired legally)
- provide for the identification, tracing, freezing, confiscation and seizure of the proceeds of crime
- require that all financial institutions, designated non financial businesses and professions referred to in the Act as reporting institutions to take prudent measures to combat money laundering and
- establish a Financial reporting centre (FRC) and an Asset Recovery Agency

The Proceeds of Crime and Anti Money Laundering (Amendment) Act, 2012 introduced amendments to various sections of the AML Act, 2009 found to be deficient, in order to expand the definition of monetary instruments. It further amended Section 44 to outline the manner in which reporting institutions will conduct investigations and Section 46 to allow the Director of the Financial Reporting Centre to make a request for the retention of records by a reporting institution for periods longer than seven (7) years stipulated to be the maximum period for retention of such records.

The Financial Reporting Centre was established pursuant to Section 21 of the Proceeds of Crime and Anti Money laundering Act, 2009. With the setting up of the Financial Reporting Centre. All reporting institutions are expected to forward any information on unusual or suspicious cash transactions to the FRC for further investigations.

4.2.5 Traffic Amendment Act, 2012

The Traffic Amendment Act, 2012 introduced radical amendments to the Traffic Act , Cap 403 aimed at dealing with Traffic offences and reducing road carnage. The changes were:-

- All law enforcement officers are mandated to enforce traffic rules.
- Motor registration number plates will now be owned by the Kenya Revenue Authority (KRA). The registration numbers must be surrendered to the Registrar of Motor Vehicles if the ownership of a motor vehicle changes.
- An identification number plate shall become invalid if the insurance cover of a motor vehicle to which it relates expires and is not renewed within thirty (30) days from its expiry date. Owners of the offending vehicles will be required to surrender the identification number plates to KRA or face criminal sanctions.
- All licensed drivers are now required to undergo mandatory eye tests every three (3) years and present a medical practitioner s report to KRA when applying for the renewal of the license. Anyone who fails to comply with this requirement will be disqualified from holding a driving license for a period not exceeding three (3) years.
- Driving under the influence of any substance would attract a penalty of ten (10) years in jail or a fine of Kenya shillings five hundred thousand (Kshs 500,000/=) or both.
- Causing Death is deemed a criminal offence making one liable to life imprisonment.
- Overlapping, driving on pavements or through a petrol stations to avoid traffic leads to a one (1) year jail term or a fine of Kshs 100,000/=or both
- PSV drivers are required to wear uniform and undergo a compulsory competence test every two (2) years



- All motorcycle riders are required to take out a third party insurance cover, wear helmets and reflector jackets and not ferry more than one (1) passenger at any one time or risk a fine of Kshs 10,000 or 12 months imprisonment.

4.2.6 The National Transport and Safety Authority Act, 2012

In support of the stringent amendments that were introduced vide the Traffic (Amendment) Act, 2012; Parliament passed the National Transport and Safety Authority Bill, 2012 in a bid to reform the entire transport sector. Amendments have been introduced to the Traffic

Act to align it to the National Transport and Safety Act, which provides for the establishment of an Authority which shall have the overall responsibility of regulating the Road transport sector including the registration, inspection and licensing of motor vehicle, testing of drivers and all aspects of road safety in general. The Act repealed the Transport Licensing Act and it vests the rights obligations and contracts of the Transport Licensing Board on the Authority. The Act proposes to impose a National Transport and Safety Levy to be deposited into a National Transport and Safety Fund.

5. Industry combined Statement of Comprehensive Income and Statement of Financial Position

5.1 Statement of Comprehensive Income

The insurance industry's Statement of Comprehensive Income for the last five years is shown in table 10 below.

Table 10: Combined industry Statement of Comprehensive Income

	2008	2009	Growth %	2010	Growth %	2011	Growth %	2012	Growth %
Gross Earned Premium	46.32	53.92	16.41	63.47	17.71	70.92	11.74	84.38	18.98
Reinsurance ceded	9.84	11.12	13.01	13.30	19.60	15.62	17.44	19.96	27.78
Net Earned Premium	36.48	42.80	17.32	50.17	17.22	55.30	10.23	64.42	16.49
Investment & Other income	11.75	15.10	28.51	23.98	58.81	19.36	-19.27	34.13	76.29
Net Income	48.23	57.90	20.05	74.15	28.07	74.66	0.69	98.55	32.00
Net Incurred claims	24.83	30.66	23.48	39.50	28.83	37.69	-4.58	48.36	28.31
Total Commissions & Expenses	18.35	21.41	16.68	25.12	17.33	27.29	8.64	35.39	29.68
Profit/(Loss) before Taxation	5.05	5.83	15.45	9.53	63.46	9.68	1.57	14.80	52.89
Provision for Taxation	1.20	1.54	28.33	1.73	12.34	2.04	17.92	2.98	46.08
Profit/(Loss) after Taxation	3.85	4.29	11.43	7.80	81.82	7.64	-2.05	11.82	54.71

Figures in billions Kenya shillings

The gross earned premium increased by 18.98% in 2012 compared to 11.74% in 2011. Reinsurance premium ceded increased by 27.78% in 2012 compared to 17.44% in 2011. Investment and other income increased by 76.29% in 2012 due to improved performance of the capital market.

Net incurred claims, commissions & expenses increased by 28.31% and 29.68% in 2012 respectively. Profit before taxation increased by 52.89% in 2012 compared to 1.57% in 2011. Provision for taxation increased by 46.08% in 2012 compared to 17.92% in 2011.

For detailed information on the insurance industry combined Statement of Comprehensive Income for the year 2012, refer to Table 11.

Table 11: Detailed Statement of Comprehensive Income

Companies	Gross Premium Earned Premiums		Reinsurance Premium Ceded & Other Adjustments		Net Earned Premium		Investment Income & Other Incomes		Net Income		Net Incurred Claims		Commissions		Total Commissions & Other Expenses		Profit/(Loss) Before Tax		Provision for Tax & Other		Profit/(Loss) After Tax	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
AIG	3,070,354	2,792,003	1,341,232	1,268,032	1,729,122	1,523,971	719,384	573,245	2,448,506	2,097,216	762,680	673,638	489,952	446,773	1,208,300	1,006,622	477,526	416,956	134,341	122,661	343,185	294,395
Amaco	1,799,425	1,661,830	476,048	439,023	1,323,377	1,222,807	240,128	206,028	1,563,506	1,428,835	753,876	631,405	158,619	143,083	713,802	715,506	95,827	81,924	28,486	25,764	67,340	56,159
APA	5,296,852	4,862,157	743,608	712,686	4,553,244	4,149,471	693,380	543,744	5,246,624	4,693,215	3,168,351	2,914,049	688,177	605,243	1,843,325	1,471,334	234,948	307,832	94,885	42,876	140,063	284,956
Apollo Life	217,031	246,201	116,922	105,841	100,109	140,360	207,826	140,124	307,935	280,484	280,601	168,152	17,812	14,771	93,558	71,686	-66,224	40,646	4,330	1,731	-70,554	38,915
Britam	6,761,184	5,583,433	869,354	659,646	5,891,830	4,923,787	3,725,213	825,266	9,617,043	5,749,053	3,635,504	2,991,129	1,397,253	1,174,304	4,531,279	1,686,695	1,450,260	1,071,269	283,062	212,395	1,167,198	858,874
Cannon	1,205,597	1,438,531	325,797	232,613	879,801	1,205,918	568,378	253,184	1,448,179	1,459,102	380,520	873,307	181,108	156,651	515,168	432,047	552,491	153,747	120,982	54,386	431,508	99,361
Capex Life	12,282	14,813	156	-	12,126	14,813	50,182	54,506	62,308	69,318	13,902	17,538	676	449	37,019	45,923	11,387	5,857	2,751	1,942	8,636	3,915
CFC Life	1,513,455	1,390,706	185,020	128,344	1,328,435	1,262,362	1,946,028	1,080,471	3,274,463	2,342,833	1,799,922	886,308	196,931	209,939	1,096,232	1,109,246	378,309	347,279	47,279	31,899	331,080	315,420
CIC General	5,715,946	6,116,421	739,129	772,125	4,976,817	5,344,296	708,089	649,478	5,684,906	5,933,774	3,141,564	3,149,844	502,359	557,373	1,612,914	2,062,772	930,028	781,158	294,786	195,095	675,242	586,063
CIC Life	2,452,771	-	141,408	-	2,311,363	-	369,543	-	2,680,906	-	1,502,837	-	138,941	-	880,372	-	297,697	-	-	-	297,697	-
Corporate	524,165	491,836	93,283	68,118	430,882	423,718	280,824	58,209	711,706	481,927	246,564	237,320	91,915	79,079	228,437	214,036	236,705	30,571	16,472	11,039	220,233	19,532
Directline	2,020,761	1,706,615	34,657	29,884	1,986,104	1,676,731	303,195	190,073	2,289,299	1,866,805	1,119,314	990,805	2,009,456	167,092	847,446	656,394	322,539	219,605	84,171	42,874	238,369	176,731
Fidelity Shield	1,061,075	958,827	260,179	187,957	800,896	770,870	298,513	164,099	1,069,409	934,969	497,973	525,544	129,967	116,215	393,236	331,995	178,200	77,430	40,367	16,391	137,833	61,039
First Assurance	2,731,320	2,326,633	747,642	673,246	1,983,678	1,653,387	590,079	405,089	2,573,757	2,058,476	1,392,634	1,144,902	390,865	298,340	701,871	578,928	479,252	334,646	119,283	83,351	359,969	251,295
GA	2,241,094	1,715,982	891,452	607,157	1,349,642	1,108,425	649,826	377,648	1,999,468	1,486,073	918,831	720,251	265,738	200,601	618,520	486,427	462,117	279,395	124,801	79,195	337,316	200,200
Gateway	517,170	523,846	57,753	47,305	459,417	476,541	152,889	615,808	612,306	1,092,349	317,800	203,812	39,384	50,044	281,183	330,200	13,323	558,337	5,201	5,622	8,122	552,715
Geminia	1,036,396	854,148	333,278	258,511	703,119	605,638	327,188	208,881	1,030,306	814,519	432,503	356,484	154,798	131,181	355,505	303,070	242,298	144,966	73,977	44,268	168,321	100,698
Heritage	3,362,561	3,214,740	1,259,389	750,921	2,103,172	2,463,819	1,124,813	848,724	3,227,985	3,312,543	1,018,378	1,287,974	499,347	472,312	1,545,510	1,377,652	664,097	646,917	118,388	-	545,709	646,917
ICEA LION General	3,919,901	1,848,084	1,601,940	940,256	2,317,961	907,828	850,192	769,415	3,168,153	1,677,243	1,055,544	514,796	503,573	179,264	1,479,225	434,792	633,384	727,655	219,768	197,139	413,616	530,516
ICEA LION Life	1,850,827	3,400,110	265,384	684,706	1,585,443	2,715,404	5,312,844	2,373,786	6,898,287	5,089,190	3,761,106	3,345,839	290,833	529,072	894,695	1,420,015	2,252,486	323,336	192,967	192,278	2,099,519	131,058
Intra Africa	714,500	631,886	135,450	104,267	579,049	527,628	96,337	175,343	675,386	702,972	347,445	309,168	29,500	22,848	238,453	222,335	89,488	171,469	22,385	27,724	67,104	143,745
Invesco	1,504,684	1,040,282	40,643	30,254	1,464,042	1,010,029	46,907	12,947	1,510,948	1,022,976	510,274	329,879	150,558	103,012	968,554	643,094	32,120	50,002	18,351	-27,108	13,769	77,110
Jubilee	9,881,504	7,642,939	2,500,559	1,730,508	7,380,945	5,912,431	3,448,767	2,418,929	10,829,712	8,331,360	7,380,622	5,264,220	1,390,495	1,119,881	2,793,262	2,304,117	655,828	763,023	225,555	221,751	430,273	541,272
Keninda	4,004,124	3,979,052	1,395,458	1,313,534	2,608,666	2,665,518	2,667,376	1,748,640	5,276,042	4,414,158	3,719,174	3,202,025	645,076	639,628	1,335,181	1,365,036	221,687	-152,903	15,784	-24,298	205,903	-128,605
Kenya Orient	1,246,281	896,407	132,213	126,696	1,114,068	769,711	126,224	70,339	1,240,291	840,050	453,051	348,632	123,603	89,943	687,502	450,500	99,739	40,918	47,323	19,617	52,416	21,301
Kenyan Alliance	938,980	746,068	174,629	81,222	764,352	664,845	279,381	121,737	1,043,733	786,582	368,835	233,321	108,441	81,762	501,427	350,808	173,471	202,453	59,236	53,171	114,235	149,282
Madison	1,742,483	1,658,941	366,069	180,259	1,376,414	1,478,682	1,465,762	523,991	2,842,176	2,002,673	1,184,612	1,134,059	283,220	265,167	938,062	758,929	719,502	109,685	-	-	719,502	109,685
Mayfair	1,217,604	923,613	549,540	411,238	668,064	512,376	277,698	163,019	945,762	675,394	520,892	363,512	175,061	135,323	379,965	278,254	44,905	33,628	15,634	10,251	29,271	23,378
Mercantile	634,009	599,974	385,689	354,316	248,320	245,668	256,934	190,328	505,254	435,986	156,726	126,335	52,079	52,331	220,823	213,401	127,705	96,250	20,115	32,717	107,590	63,533
Metropolitan Life	115,794	52,050	43,510	6,833	72,284	45,217	136,994	-21,134	209,278	24,083	117,115	24,159	22,340	13,490	183,369	125,886	-91,206	-125,962	11,740	9,216	-102,946	-135,178



Monarch	314,177	303,924	49,264	36,933	264,913	266,991	125,082	80,091	389,995	347,082	124,626	91,847	30,067	28,052	231,378	175,790	33,991	79,445	-5,314	12,830	39,306	66,616
Occidental	1,439,630	1,234,007	397,673	453,649	1,041,957	780,359	241,351	239,490	1,283,308	1,019,449	708,955	556,940	235,987	149,522	420,596	351,875	154,357	101,034	40,465	24,616	113,892	76,419
Old Mutual Life	549,330	510,374	141,446	141,112	407,884	369,262	1,026,266	373,976	1,434,150	743,298	1,125,473	-356,066	76,833	87,283	927,195	918,578	-618,518	180,726	-	-	-618,518	180,726
Pacific	642,335	479,702	113,538	60,735	538,797	418,967	97,499	53,347	626,296	472,314	240,129	206,342	88,669	43,815	323,462	214,691	62,705	51,281	18,136	1,135	44,569	50,146
Pan Africa Life	-	-	-	-	-	-	525,875	1,085,639	525,875	1,085,639	-	-	40,210	428,190	217,096	616,232	308,779	469,407	136,375	7,390	172,404	462,017
Phoenix	421,007	433,046	202,398	201,821	218,609	231,225	216,419	118,164	435,028	349,389	85,507	84,322	64,053	61,688	294,933	249,637	54,588	15,430	19,356	5,635	35,232	9,795
Pioneer Life	1,043,964	706,020	108,823	78,922	935,141	627,097	126,708	88,223	1,061,849	715,320	649,707	385,612	162,421	141,598	371,094	291,011	41,048	38,697	9,456	8,888	31,592	29,799
Real	2,152,801	1,425,461	890,665	330,097	1,262,136	1,095,354	333,461	224,601	1,595,597	1,319,955	725,735	626,720	271,132	185,552	667,872	541,326	201,990	151,909	59,508	-10,892	142,482	162,801
Shield Assurance	150,006	153,394	609	598	149,397	152,796	85,936	27,382	235,333	180,178	96,474	110,461	23,947	17,751	109,597	99,037	29,252	-29,320	5,797	4,385	23,465	-33,705
Takaful	316,676	83,059	42,848	39,651	273,828	43,408	37,703	15,782	311,531	59,190	145,775	31,833	28,528	8,320	214,386	150,178	48,630	-122,821	15,393	40,881	-64,023	-163,702
Tauni	698,741	594,216	257,262	206,760	441,479	387,456	242,071	137,026	683,549	524,482	242,092	217,663	116,477	103,602	244,438	217,753	197,019	89,066	47,221	35,026	149,796	54,040
Trident	694,014	745,012	258,663	225,226	435,352	519,786	977,071	144,503	1,412,422	664,289	273,777	444,845	41,219	58,479	221,930	139,099	915,716	80,345	37,575	26,343	879,141	54,002
UAP General	5,396,368	4,299,509	1,018,953	779,324	4,377,415	3,520,185	1,401,131	990,468	5,778,546	4,510,653	2,481,897	1,881,895	720,602	588,488	2,004,072	1,457,149	1,292,577	1,171,609	177,078	195,873	1,115,498	975,736
UAP Life	781,414	455,093	251,841	150,600	529,573	304,493	787,018	37,592	1,316,591	342,085	372,601	352,828	88,146	54,224	726,482	315,791	217,508	-336,534	5,538	-	211,970	-336,534
Xplico	468,063	172,839	13,668	9,392	454,396	163,447	14,567	1,212	468,992	164,659	141,066	51,729	53,616	26,364	289,064	102,584	38,822	10,346	11,650	3,197	27,173	7,149
Total	84,378,657	70,923,385	19,955,040	15,620,319	64,423,617	55,303,066	34,129,040	19,359,414	98,552,657	74,662,480	48,362,764	37,685,377	13,169,984	10,038,100	35,387,769	27,288,393	14,802,103	9,688,710	2,980,654	2,039,123	11,821,450	7,649,586



5.2 Statement of Financial Position

The insurance industry's combined Statement of Financial Position is shown in table 12 below.

Table 12: Insurance industry combined Statement of Financial Position

	2008	2009	Growth %	2010	Growth %	2011*	Growth %	2012	Growth %
Shareholders Capital, Life Fund & Reserves	29.62	33.91	14.48	47.86	41.14	48.28	0.88	62.93	30.34
Total Assets	146.12	164.88	12.84	209.48	27.05	243.74	16.35	271.91	11.56
Total Liabilities	116.37	130.97	12.55	161.61	23.39	195.47	20.95	208.99	6.92
Net Assets	29.62	33.91	14.48	47.86	41.14	48.28	0.88	62.93	30.34
Profit/(Loss) before Tax	5.05	5.83	15.45	9.53	63.64	9.68	1.57	14.80	52.90
Return on Capital Employed	0.17	0.15	-11.76	0.20	33.33	0.20	0.00	0.24	20.00

Figures in billions Kenya shillings

** 2011 figures have been restated*

The insurance industry shareholders capital, life fund and reserves increased by 30.34% in 2012 compared to a decrease of 3.15% in 2011.

Total assets and liabilities grew by 11.56% and 6.92% in 2012 compared to 16.22% and 22.27% in 2011 respectively.

Net assets increased by 30.34% in 2012 compared to a decrease of 3.15% in 2011. Return on capital employed increased by 20.0% in 2012 compared to 5.26% in 2011.

For detailed information on the insurance industry combined Statement of Financial Position for the year 2012, refer to Table 13.

Table 13: Detailed Statement of Financial Position

Company Name	Share Holders Capital, Life Fund & Reserve		Total Assets		Total Liabilities		Net Assets		Profit / Loss Before Tax		Return on Capital Employed	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
AIG	1,068,830	699,755	4,186,282	3,678,922	3,117,452	2,979,167	1,068,830	699,755	477,525	416,956	0.45	0.60
Amaco	686,051	602,818	2,348,441	2,135,285	1,662,390	1,532,467	686,051	602,818	95,827	81,924	0.14	0.14
APA	2,524,026	1,718,532	9,288,822	7,643,217	6,764,796	5,924,685	2,524,026	1,718,532	234,948	307,832	0.09	0.18
Apollo	309,582	271,941	2,038,926	1,620,366	1,729,344	1,348,425	309,582	271,941	-66,224	40,646	-0.21	0.15
Briam	6,674,717	4,328,609	29,960,753	20,587,830	23,286,036	16,259,221	6,674,717	4,328,609	1,450,258	1,071,269	0.22	0.27
Cannon	1,988,431	1,571,776	4,374,562	4,097,842	2,386,131	2,526,066	1,988,431	1,571,776	552,491	153,747	0.28	0.10
Capex Life	237,971	186,143	391,110	309,900	153,138	123,757	237,971	186,143	11,387	5,857	0.05	-0.01
CFC Life	2,005,768	968,337	18,092,852	13,403,150	16,087,084	12,434,813	2,005,768	968,337	378,309	347,279	0.19	0.36
CIC General	2,360,749	4,294,560	8,576,260	11,113,241	6,215,511	6,818,681	2,360,749	4,294,560	930,028	781,158	0.39	0.18
CIC Life	1,685,813		4,060,562		2,374,749		1,685,813		297,697		0.18	
Corporate	833,029	632,355	1,689,837	1,421,974	856,808	789,619	833,029	632,355	236,704	30,571	0.28	0.05
Directline	654,581	453,857	3,508,460	2,908,633	2,853,879	2,454,777	654,581	453,857	322,539	219,605	0.49	0.48
Fidelity Shield	902,208	790,449	2,226,088	1,949,150	1,323,880	1,158,701	902,208	790,449	178,200	77,430	0.20	0.10
First Assurance	1,392,382	1,026,985	5,219,468	3,807,958	3,827,086	2,780,973	1,392,382	1,026,985	479,252	334,646	0.34	0.33
GA	1,402,278	1,171,601	5,542,593	4,540,414	4,140,315	3,368,813	1,402,278	1,171,601	462,117	279,395	0.33	0.24
Gateway	681,978	1,070,179	2,033,204	2,105,847	1,351,226	1,035,668	681,978	1,070,179	13,323	558,337	0.02	0.64
Geminia	1,135,878	791,511	2,947,862	2,354,381	1,811,984	1,562,870	1,135,878	791,511	242,298	144,966	0.21	0.18
Heritage	1,865,384	1,581,594	4,833,748	5,976,983	2,968,364	4,395,389	1,865,384	1,581,594	664,097	646,917	0.36	0.18
ICEA LION General	2,535,030	3,107,179	8,950,973	28,285,726	6,415,943	25,178,547	2,535,030	3,107,179	633,384	727,655	0.25	0.15
ICEA LION Life	5,106,698	3,107,179	32,090,043	28,285,726	26,983,345	25,178,547	5,106,698	3,107,179	2,252,486	323,336	0.44	0.10
Intra Africa	639,880	555,813	1,281,819	1,166,616	641,939	610,804	639,880	555,813	89,489	171,469	0.14	0.31
Invesco	401,297	386,161	1,255,679	1,108,184	854,382	722,024	401,297	386,161	32,120	50,002	0.08	0.13
Jubilee	4,971,957	2,921,283	34,831,175	27,977,816	29,859,218	25,056,533	4,971,957	2,921,283	655,828	763,023	0.13	0.37
Kenindia	1,812,910	1,542,164	22,137,394	19,405,575	20,324,484	17,863,411	1,812,910	1,542,164	221,687	-152,903	0.12	-0.10
Kenya Orient	437,676	363,709	1,272,510	995,964	834,835	632,255	437,676	363,709	99,739	40,918	0.23	0.14
Kenyan Alliance	1,277,086	1,120,579	3,518,617	3,162,292	2,241,531	2,041,713	1,277,086	1,120,579	173,471	202,453	0.14	0.18
Madison	1,597,818	878,316	5,945,157	5,123,850	4,347,339	4,245,534	1,597,818	878,316	719,502	109,685	0.45	0.12
Mayfair	439,327	382,209	2,172,569	1,661,587	1,733,242	1,279,379	439,327	382,209	44,905	33,628	0.10	-
Mercantile	631,446	529,642	1,630,663	1,380,421	999,217	850,779	631,446	529,642	127,705	96,250	0.20	0.18

Continued from page 19

Metropolitan Life	225,915	328,861	607,454	567,391	381,539	238,530	225,915	328,861	-91,205	-125,962	-0.40	-0.38
Monarch	616,259	576,953	1,129,672	999,873	513,413	422,920	616,259	576,953	33,991	79,445	0.06	0.14
Occidental	558,692	471,225	1,938,521	1,550,739	1,379,829	1,079,514	558,692	471,225	154,357	101,034	0.28	0.21
Old Mutual Life	1,025,492	1,064,491	10,962,078	8,587,343	9,936,586	7,522,852	1,025,492	1,064,491	-618,518	180,726	-0.60	0.17
Pacis	445,264	366,595	998,459	826,161	553,195	459,566	445,264	366,595	62,705	51,281	0.14	0.14
Pan Africa Life	1,126,186	1,097,065	1,650,000	1,744,250	523,814	647,185	1,126,186	1,097,065	308,779	469,407	0.27	0.43
Phoenix	1,387,013	1,066,657	1,961,913	1,767,170	574,900	700,513	1,387,013	1,066,657	54,588	15,430	0.04	0.01
Pioneer Life	329,817	300,709	997,509	1,021,166	667,692	720,457	329,817	300,709	41,048	38,697	0.12	0.13
Real	685,738	646,880	2,712,323	2,074,047	2,026,585	1,427,167	685,738	646,880	201,990	151,909	0.29	0.23
Shield	150,346	379,436	693,388	520,369	543,042	140,933	150,346	379,436	29,262	-29,320	0.19	-0.09
Takaful	291,139	289,376	645,899	508,793	354,760	219,417	291,139	289,376	-48,630	-122,821	-0.17	-0.42
Tausi	635,340	507,417	1,821,758	1,534,998	1,186,418	1,027,582	635,340	507,417	197,019	89,066	0.31	0.18
Trident	1,859,089	817,243	4,050,068	2,721,032	2,190,980	1,903,789	1,859,089	817,243	916,716	80,345	0.49	0.15
UAP General	4,859,553	3,186,369	10,668,547	7,739,194	5,808,994	4,552,825	4,859,553	3,186,369	1,292,577	1,171,609	0.27	0.35
UAP Life	469,435	-186,534	4,667,466	2,927,381	4,198,031	3,113,915	469,435	-186,534	217,508	-336,534	0.46	1.80
Xplico	443,192	307,149	743,993	442,587	300,801	135,437	443,192	307,149	38,824	10,346	0.09	0.02
TOTAL	62,926,059	48,275,127	271,911,484	243,741,346	208,985,425	195,466,219	62,926,059	48,275,126	14,802,103	9,688,710	0.24	0.20

Figures in Kshs. '000

6. Non Life Insurance

Non life insurance covers property and casualty risks, which in Kenya are divided into fifteen broad classes. Non-life insurance typically comprises companies that write short term insurance business.

The major classes of non life insurance business are Motor, Fire, WIBA, Personal Accident, Marine, Theft and Medical Insurance. Other classes include Liability, Aviation, Engineering and Miscellaneous Accidents. Micro-insurance, Takaful and Agriculture insurance are gaining prominence in Kenya. Thirty six (36) insurance companies wrote non-life insurance, however this report contains results of 35 insurance companies as one company was placed under statutory management in the year.

6.1 Premium Income

Gross premium for the year was Kshs. 71.46 billion compared to Kshs. 60.67 billion in 2011. This represents 17.8% growth compared to 15.9% realised in 2011. The table below shows the gross premium, market share and percentage growth per company for the last three years.

Table 14: Gross Written Premium, Percentage Growth and Market Share (2010 – 2012)

Company	2010			2011			2012		
	Gross premium	Percentage Growth %	Market Share %	Gross Premium	Percentage Growth %	Market Share %	Gross Premium	Percentage Growth %	Market Share %
AIG	2,612,757	28.47	4.99	2,803,897	7.32	4.62	3,203,367	14.25	4.48
Amaco	1,736,718	25.18	3.32	1,770,765	1.96	2.92	1,912,372	8.00	2.68
APA	4,611,408	26.91	8.81	5,019,780	8.86	8.27	5,590,038	11.36	7.82
Britam	1,785,090	22.77	3.41	2,349,216	31.60	3.87	3,112,745	32.50	4.36
Cannon	937,443	17.81	1.79	1,002,110	6.90	1.65	1,065,298	6.31	1.49
CIC General	2,961,208	79.14	5.66	4,580,309	54.68	7.55	6,557,122	43.16	9.18
Corporate	359,874	-2.27	0.69	324,826	-9.74	0.54	322,236	-0.80	0.45
Directline	1,573,296	32.41	3.00	1,802,180	14.55	2.97	2,051,764	13.85	2.87
Fidelity Shield	863,792	8.39	1.65	1,011,865	17.14	1.67	1,080,205	6.75	1.51
First Assurance	2,089,694	26.87	3.99	2,370,141	13.42	3.91	2,942,554	24.15	4.12
GA	1,411,585	26.05	2.70	1,817,674	28.77	3.00	2,351,860	29.39	3.29
Gateway	523,463	-15.98	1.00	519,300	-0.80	0.86	443,527	-14.59	0.62
Geminia	770,130	24.35	1.47	899,008	16.73	1.48	1,072,303	19.28	1.50
Heritage	2,477,112	29.08	4.73	3,248,925	31.16	5.36	3,405,694	4.83	4.77



Continued from page 21

Company	2010			2011			2012		
	Gross premium	Percentage Growth %	Market Share %	Gross Premium	Percentage Growth %	Market Share %	Gross Premium	Percentage Growth %	Market Share %
Intra Africa	559,755	11.48	1.07	671,682	20.00	1.11	726,921	8.22	1.02
Invesco	562,853	-	1.08	1,106,271	96.55	1.82	1,540,347	39.24	2.16
Jubilee	4,711,566	27.69	9.00	6,660,922	41.37	10.98	8,085,352	21.38	11.31
Kenindia	3,341,735	17.92	6.38	3,565,694	6.70	5.88	3,376,542	-5.30	4.72
Kenya Orient	777,797	32.55	1.49	1,026,344	31.96	1.69	1,302,060	26.86	1.82
Kenyan Alliance	502,240	70.39	0.96	785,403	56.38	1.29	950,893	21.07	1.33
Madison	939,862	41.51	1.80	1,080,192	14.93	1.78	1,002,016	-7.24	1.40
Mayfair	702,078	25.11	1.34	1,004,197	43.03	1.66	1,258,446	25.32	1.76
Mercantile	484,351	13.94	0.93	560,389	15.70	0.92	616,031	9.93	0.86
Occidental	1,135,075	10.41	2.17	1,275,261	12.35	2.10	1,498,373	17.50	2.10
Pacis	425,013	35.53	0.81	509,147	19.80	0.84	704,490	38.37	0.99
Phoenix	426,899	-13.32	0.82	419,844	-1.65	0.69	406,267	-3.23	0.57
Pioneer	132,556	-21.81	0.25	251,265	89.55	0.41	27,316	-89.13	0.04
Real	1,396,858	19.64	2.67	1,540,421	10.28	2.54	2,217,761	43.97	3.10
Takaful	-	-	-	178,158	-	0.29	428,228	140.36	0.60
Tausi	554,273	8.39	1.06	614,627	10.89	1.01	727,202	18.32	1.02
The Monarch	261,974	61.04	0.50	251,515	-3.99	0.41	326,925	29.98	0.46
Trident	605,292	16.89	1.16	723,684	19.56	1.19	675,594	-6.65	0.95
UAP	3,866,576	26.16	7.38	4,715,514	21.96	7.77	5,925,796	25.67	8.29
Xplico	-	-	-	249,618	-	0.41	540,379	116.48	0.76
Total	52,357,448	-	-	60,667,770	-	-	71,462,715	-	-

Figures in Ksh. '000

Table 14 above shows that seven companies recorded negative growth in 2012 compared to four in 2011. One company recorded a negative growth of 89% which can be attributed to the fact that this is a pure life company which previously wrote medical insurance business but has since stopped. Three companies recorded a growth of over 100%. This can be attributed to the merger of the former ICEA and Lion of Kenya, while the other two companies are new entrants in the market.

6.2 Premium growth for the last five years (2008 – 2012)

Non-life insurance premium has grown in the last five years by about Kshs. 35 billion which represents an average growth of Kshs. 7 billion per year. This is presented in Figure 3 below:

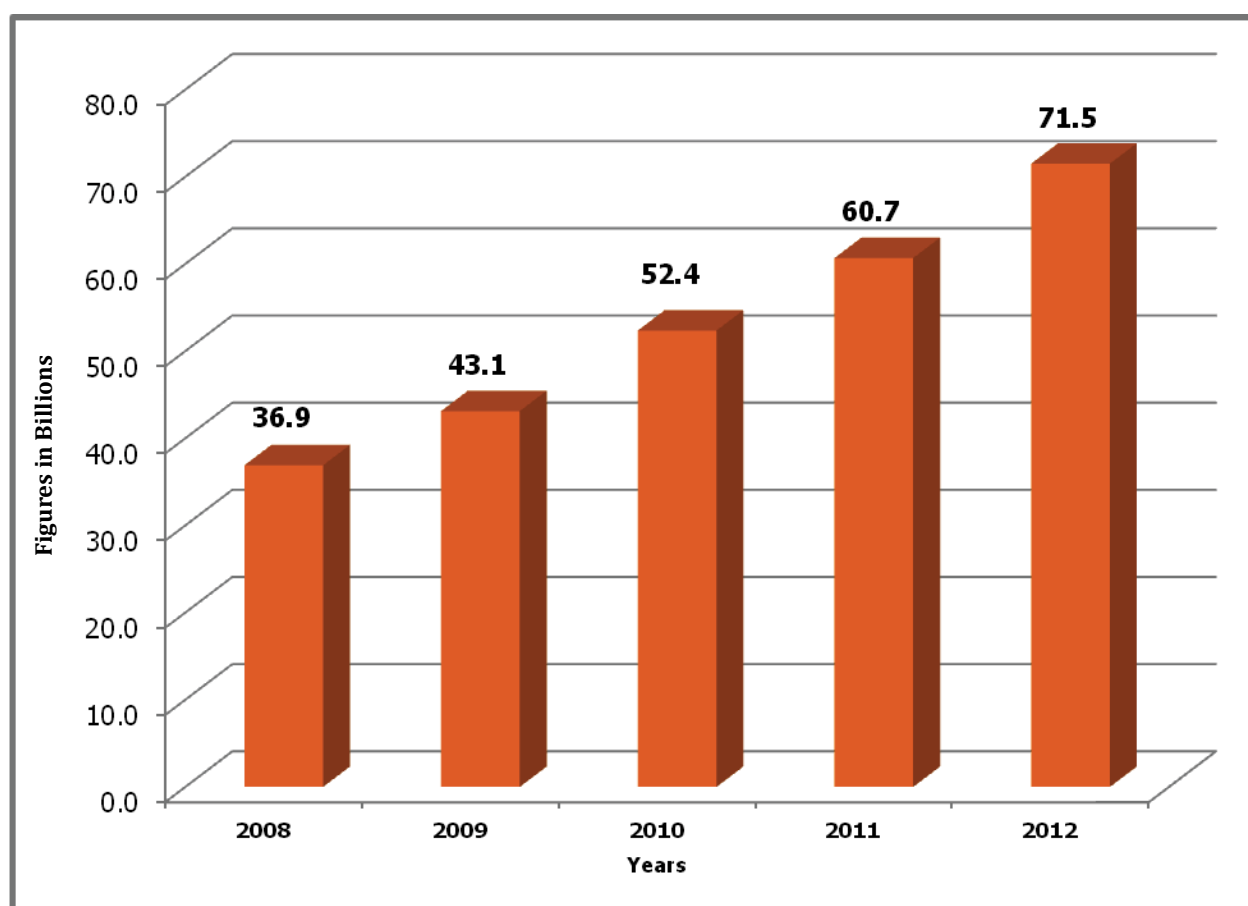


Figure 3: Premium growth for the last five years (2008 – 2012)



6.3 Performance of main classes of Insurance

Motor Private, Motor Commercial, Fire and Medical recorded gross premiums of over Kshs. 8 billion each, and accounted for 80% of the total gross premium in 2012. The other classes accounted for the balance. This has been the market trend.

Table 15 and Figure 4 below show the distribution of gross premium per class for the major classes.

Table 15: Distribution of Gross Written Premium per Class

	Class of Business	Amount (Billions)	% of Total Premium
1	Motor Commercial	17.4	24.3
2	Motor Private	12.7	17.8
3	Medical	13.1	18.3
4	Fire (Domestic & Industrial)	8.3	11.6
5	Others	20.0	28.0
	Total	71.5	100.0

Motor insurance accounted for 42.1% of the total gross premium, compared to 44.8% last year, a decrease of 2.7%

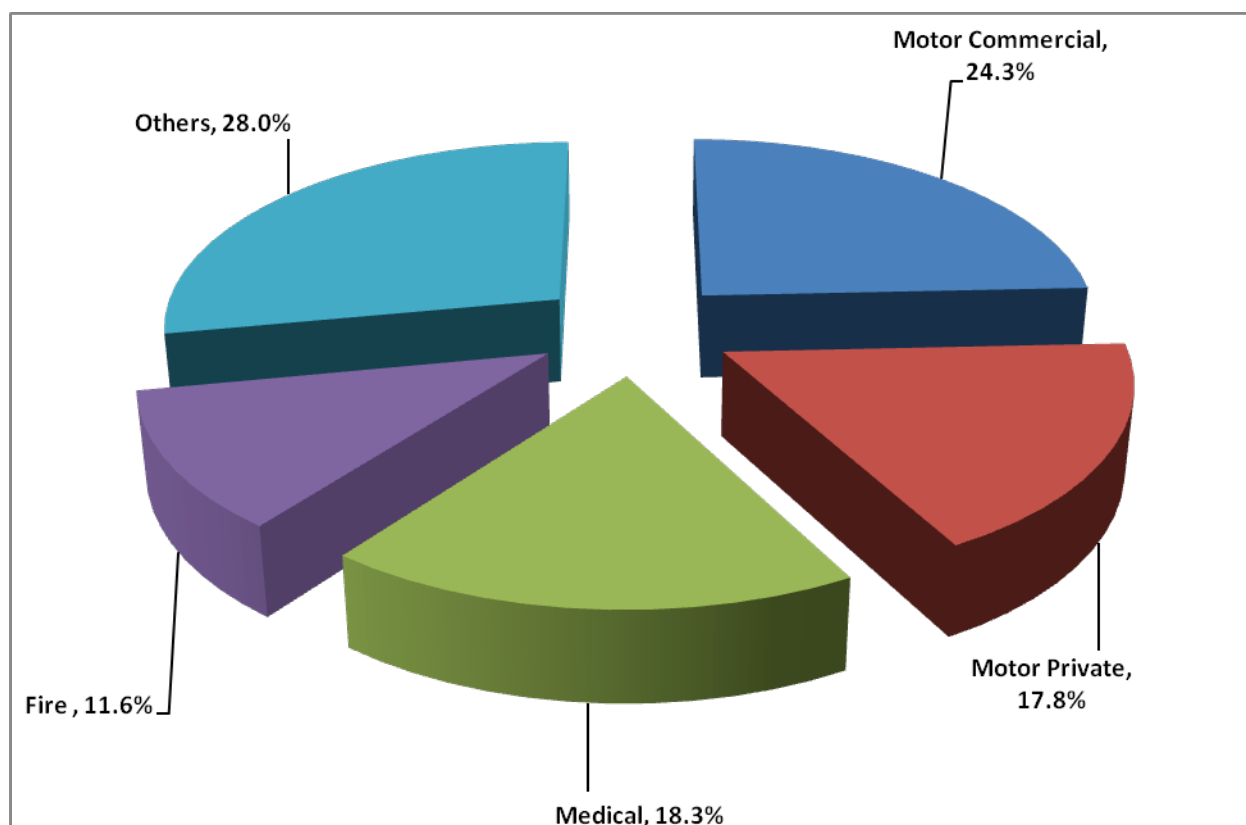


Figure 4: Premium distribution for the major classes in 2012

6.4 Gross Written Premium Growth per Class

Table 16 below shows distribution of gross premium per class from 2010 to 2012. In 2012, medical insurance recorded the highest growth of 46.8%, followed by Engineering with 29.4%. In the year 2011, Engineering had the highest growth followed by Aviation. Liability and WIBA had the least growth.

Table 16: Distribution of Gross Written Premium per Class (2008 - 2012)

Class of Business	2008	2009	2008/2009 Growth %	2010	2009/2010 Growth %	2011	2010/2011 Growth %	2012	2011/2012 Growth %
Aviation	324,968	479,388	47.52	532,060	10.99	676,724	27.19	795,540	17.56
Engineering	1,274,417	1,317,430	3.80	1,538,485	16.78	2,008,942	30.58	2,600,378	29.44
Fire Domestic	672,104	785,016	16.80	866,158	10.34	996,708	15.07	1,120,430	12.41
Fire Industrial	4,322,691	4,418,965	2.23	5,063,678	14.59	5,988,057	18.26	7,221,097	20.59
Liability	918,143	940,762	2.46	1,228,252	30.56	1,289,665	5.00	1,387,338	7.57
Marine	1,735,729	1,704,169	-1.82	2,105,758	23.57	2,401,579	14.05	2,606,172	8.52
Motor Private	6,102,723	7,306,829	19.73	9,951,385	36.19	11,596,080	16.53	12,743,474	9.89
Motor Commercial	9,322,442	11,254,995	20.73	11,254,995	23.51	15,561,048	11.94	17,396,418	11.79
Personal Accident	7,069,521	8,393,409	18.73	8,393,409	-69.94	2,673,963	5.98	3,055,022	14.25
Medical	-	5,887,152	25.00	5,887,152	26.27	8,902,912	19.76	13,071,119	46.82
Theft	1,764,987	2,003,838	13.53	2,003,838	7.43	2,570,905	19.42	2,934,846	14.16
WIBA	2,145,004	3,092,460	44.17	3,092,460	11.51	3,841,495	11.40	4,157,165	8.22
Miscellaneous	1,292,640	1,411,233	91.70	1,411,233	7.27	2,159,636	42.60	2,373,716	9.91
Total	36,895,551	43,018,486	16.84	53,330,873	21.46	60,669,725	15.87	71,464,728	17.79

Figures in Ksh. '000

Table 17: Gross Written Premium per Company per Class

Company Name	Aviation	Engineering	Fire Domestic	Fire Industrial	Public Liability	Marine	Motor Private	Motor Commercial	Personal Accident	Medical	Theft	WIBA	Miscellaneous	Total
AIG	-	34,387,000	75,373,000	872,974,000	320,688,000	58,576,000	418,167,000	562,722,000	402,106,000	-	313,704,000	134,828,000	9,842,000	3,203,367,000
Amaco	-	29,461,451	4,119,274	65,163,579	8,792,972	25,254,443	595,837,348	1,081,078,363	25,598,120	-	10,922,735	20,324,566	45,819,564	1,912,372,415
APA	15,286,000	173,776,000	52,156,000	433,368,000	66,115,000	235,033,000	875,874,000	1,287,202,000	138,571,000	1,525,204,000	129,316,000	400,741,000	257,396,000	5,590,038,000
Britam	-	126,662,000	51,637,000	152,361,000	19,836,000	182,647,000	418,419,000	726,628,000	375,755,000	849,862,000	96,485,000	64,168,000	48,284,000	3,112,745,000
Cannon	-	117,095,099	12,766,582	71,412,270	17,556,238	39,598,682	200,967,181	293,733,933	58,233,473	-	37,355,985	113,316,850	103,261,257	1,065,297,550
CIC General	-	96,143,000	74,903,000	328,711,000	152,866,000	9,944,000	1,285,589,000	1,835,262,000	178,558,000	1,940,553,000	380,507,000	157,035,000	117,051,000	6,557,122,000
Corporate	-	34,690,000	6,294,000	38,664,000	1,905,000	4,820,000	90,664,000	73,472,000	11,777,000	-	38,102,000	15,235,000	6,614,000	322,236,000
Directline	-	-	-	-	-	-	-	2,051,764,316	-	-	-	-	-	2,051,764,316
Fidelity Shield	-	24,855,000	18,973,000	150,667,000	7,365,000	47,985,000	233,725,000	402,786,000	21,243,000	-	55,440,000	104,518,000	12,648,000	1,080,205,000
First Assurance	-	223,539,000	40,466,000	313,758,000	69,835,000	88,810,000	486,427,000	707,113,000	47,458,000	570,549,000	89,850,000	212,746,000	92,003,000	2,942,554,000
GA	-	153,191,000	41,768,000	336,111,000	31,097,000	174,535,000	206,905,000	300,307,000	37,562,000	452,198,000	188,744,000	286,987,000	142,455,000	2,351,860,000
Gateway	-	2,931,980	2,401,369	7,397,447	11,778,970	1,273,162	178,410,717	218,599,323	2,849,637	-	4,797,796	8,892,902	4,193,739	443,527,042
Gemina	-	55,031,074	28,778,157	147,180,634	11,799,773	115,627,580	161,203,565	245,858,075	26,169,933	-	100,336,385	156,686,238	23,631,839	1,072,303,253
Heritage	-	160,717,000	141,697,000	307,918,000	142,535,000	62,513,000	503,919,000	346,680,000	297,150,000	1,035,764,000	81,381,000	208,328,000	117,092,000	3,405,694,000
ICEA LION General	651,900,000	96,802,000	94,741,000	608,066,000	83,135,000	252,931,000	806,454,000	619,979,000	208,051,000	103,058,000	161,504,000	280,827,000	47,241,000	4,014,690,000
Intra Africa	-	36,440,215	18,982,056	60,249,645	3,248,599	69,598,757	170,977,185	159,238,374	16,150,612	-	51,222,476	94,399,531	46,413,963	726,921,412
Invesco	-	81,643	723,668	627,741	148,520	430,210	143,129,099	1,392,294,269	844,914	-	371,807	1,584,684	110,159	1,540,346,714
Jubilee	41,302,000	213,902,000	52,524,000	683,941,000	76,225,000	121,218,000	1,475,421,000	598,701,000	630,754,000	3,634,179,000	144,297,000	208,112,000	204,775,000	8,085,352,000
Kenindia	-	192,515,000	38,655,000	731,749,000	41,867,000	360,161,000	354,460,000	503,159,000	80,198,000	213,877,000	304,793,000	529,843,000	25,265,000	3,376,542,000
Kenya Orient	-	18,558,293	10,955,405	27,615,615	10,713,122	12,505,894	551,748,724	491,802,428	10,717,351	-	44,109,441	39,869,288	83,464,919	1,302,060,480
Kenyan Alliance	-	18,843,159	28,406,661	61,181,273	3,398,732	15,230,536	440,252,202	279,948,655	34,335,957	-	26,030,426	42,606,422	688,660	950,892,684
Madison	-	24,767,000	44,504,000	46,648,000	54,829,000	6,410,000	114,266,000	260,776,000	27,193,000	387,390,000	11,726,000	14,488,000	9,020,000	1,002,016,000
Mayfair	8,387,375	127,451,155	29,155,140	155,515,182	8,590,409	110,000,712	189,069,950	210,634,950	24,460,271	-	84,164,844	190,875,677	120,141,162	1,258,446,447
Mercantile	-	23,823,000	7,419,000	40,658,000	2,194,000	4,531,000	55,545,000	42,367,000	10,172,000	48,182,000	24,838,000	14,379,000	341,923,000	616,031,000
Occidental	-	93,582,849	32,246,454	223,732,782	6,606,264	131,092,672	217,897,801	331,830,111	58,937,699	-	123,659,597	210,784,716	68,001,877	1,498,372,822
Pacis	-	6,454,000	11,698,000	48,728,000	7,832,000	3,402,000	257,569,000	211,334,000	25,708,000	63,950,000	21,679,000	42,932,000	3,204,000	704,490,000

Phoenix	78,665,000	58,543,000	8,062,000	78,811,000	4,706,000	12,323,000	86,882,000	37,343,000	5,623,000	-	-	11,920,000	15,173,000	8,216,000	406,267,000
Pioneer	-	-	-	-	-	-	-	-	-	27,316,271	-	-	-	-	27,316,271
Real	-	243,173,000	32,138,000	199,515,000	53,550,000	142,049,000	464,910,000	465,140,000	142,308,000	303,902,000	55,422,000	83,377,000	32,277,000	2,217,761,000	
Takatul	-	7,028,000	5,253,000	19,302,000	23,045,000	9,971,000	97,325,000	212,450,000	1,000,000	-	25,224,000	19,653,000	7,977,000	428,228,000	
Tausi	-	40,121,278	30,255,816	127,094,271	6,297,158	109,832,522	103,199,166	72,112,873	13,525,403	-	87,036,739	112,713,935	25,012,784	727,201,945	
The Monarch	-	6,918,645	2,306,564	10,857,675	3,428,141	5,983,119	117,476,267	100,403,759	17,243,618	-	7,253,499	22,307,541	32,746,647	326,925,475	
Trident	-	15,690,847	8,075,787	113,674,173	5,775,144	49,472,856	62,698,634	123,916,523	13,524,404	-	42,821,430	83,764,651	156,179,257	675,593,706	
UAP	-	141,951,000	111,944,000	756,187,000	127,234,000	142,403,000	994,158,000	1,022,868,000	111,167,000	1,915,135,000	179,549,000	264,779,000	158,422,000	5,925,796,000	
Xplico	-	1,252,312	1,051,874	1,257,988	2,344,508	9,237	383,927,301	126,913,410	76,447	-	281,571	889,310	22,374,912	540,378,870	
Total	795,540,375	2,600,378,000	1,120,429,807	7,221,097,275	1,387,337,550	2,606,172,382	12,743,474,140	17,396,418,362	3,055,021,839	13,071,119,271	2,934,845,731	4,157,165,311	2,373,715,739	71,462,715,402	

The gross premium grew by 18% compared to 16% in the year 2011. Thirteen companies managed to hit the Kshs 2 billion mark compared to nine companies the previous year. Five companies wrote a gross premium of less than Ksh. 500 million compared to seven in 2011. Only five underwriters wrote aviation business. This explains why this is the only class that contributed less than one billion shillings. Fifteen companies wrote medical insurance business.



Table 18: Net Incurred Claims

Company Name	Aviation	Engineering	Fire Domestic	Fire Industrial	Public Liability	Marine	Motor Private	Motor Commercial	Personal Accident	Medical	Theft	WIBA	Miscellaneous	Total
AIG	-	-41,000	25,157,000	11,786,000	41,076,000	496,000	280,552,000	315,349,000	56,618,000	-	11,098,000	16,964,000	3,626,000	762,681,000
Amaco	-	182,629	5,132,355	11,685,461	1,605,621	2,775,302	257,579,698	430,163,065	16,124,247	-	3,221,385	2,777,050	22,629,560	753,876,375
APA	-	29,572,000	11,842,000	62,736,000	1,706,570	78,378,000	537,999,000	704,706,000	51,006,000	1,153,469,000	74,974,000	197,097,000	95,915,000	3,168,351,000
Britam	-	8,671,000	3,943,000	45,889,000	(10,119,000)	15,928,000	252,367,000	344,000,000	26,419,000	396,930,000	48,350,000	22,267,000	2,813,000	1,157,457,000
Cannon	-	4,833,139	3,164,543	5,971,167	5,271,817	39,120,639	124,018,410	99,801,923	59,574,706	-	29,214,101	51,127,696	-81,554,054	340,544,086
CIC General	-	19,588,000	9,939,000	19,551,000	13,674,000	112,000	1,015,111,000	861,527,000	85,172,000	893,698,000	158,037,000	39,769,000	25,786,000	3,141,964,000
Corporate	-	327,000	2,007,000	3,876,000	-134,000	424,000	51,116,000	54,389,000	1,443,000	-	2,081,000	-703,000	69,000	114,895,000
Directline	-	-	-	-	-	-	-	1,119,313,716	-	-	-	-	-	1,119,313,716
Fidelity Shield	-	-533,000	2,240,000	5,202,000	4,462,000	5,143,000	185,355,000	244,738,000	8,103,000	0	7,981,000	34,287,000	995,000	497,973,000
First Assurance	-	17,056,000	5,251,000	37,199,000	46,801,000	30,946,000	262,675,000	474,706,000	7,718,000	330,930,000	40,425,000	132,435,000	2,049,000	1,388,191,000
GA	-	22,471,000	16,585,000	45,786,000	18,825,000	28,814,000	157,463,000	251,553,000	9,102,000	64,964,000	113,159,000	189,896,000	213,000	918,831,000
Gateway	-	333,936	13,641,214	5,947,897	-6,136,246	-1,046,190	111,083,110	176,593,885	12,591,498	-	-1,137,792	5,750,066	178,745	317,800,133
Geminia	-	3,487,332	3,212,530	14,494,085	3,706,376	21,249,364	90,156,264	137,748,678	167,797	-183,796	23,360,462	66,106,141	4,446,174	367,951,407
Heritage	-3,000	5,255,000	30,195,000	59,531,000	10,177,000	10,610,000	300,469,000	138,545,000	59,618,000	130,555,000	47,501,000	38,325,000	8,875,000	839,663,000
ICEA LION General	3,325,000	13,190,000	14,927,000	41,211,000	1,109,000	37,907,000	380,025,000	275,096,000	53,902,000	62,188,000	78,287,000	93,659,000	739,000	1,055,544,000
Intra Africa	-	3,110,939	8,741,379	29,644,046	2,015,699	13,236,886	102,363,190	95,497,579	25,634,731	-	25,091,011	33,442,786	8,666,733	347,444,978
Invesco	-	175,185	-7,028,438	12,787,103	-530	421,498	1,782,868	499,499,858	2,569,901	-	55,456	7,504	3,311	510,273,726
Jubilee	1,175,000	40,385,000	16,229,000	58,902,000	30,245,000	42,697,000	1,177,727,000	310,871,000	170,855,000	1,832,815,000	60,088,000	95,688,000	92,257,000	3,929,933,000
Kenindia	-	36,438,000	23,613,000	21,465,000	8,471,000	198,524,000	280,717,000	381,229,000	5,993,000	181,618,000	114,547,000	443,331,000	10,215,000	1,706,161,000
Kenya Orient	-	1,569,607	688,477	3,246,850	6,092,905	2,097,219	246,977,161	158,969,237	1,235,068	0	8,519,821	7,073,954	16,580,664	453,050,963
Kenyan Alliance	-	22,752,402	2,660,998	24,385,128	13,067,791	445,515	150,866,112	77,037,317	-1,857,660	0	1,491,223	1,650,501	1,813,029	294,312,356
Madison	-	-1,253,000	1,417,000	-3,915,000	7,565,000	154,000	76,095,000	103,463,000	-1,016,000	332,564,000	3,871,000	2,038,000	11,507,000	532,491,000
Mayfair	-	11,394,816	9,067,065	7,860,463	3,878,541	40,462,795	150,874,289	146,780,629	4,201,622	-	19,756,064	103,667,466	22,948,199	520,891,949
Mercantile	-	1,404,000	1,368,000	4,580,000	-3,000	-551,000	37,521,000	10,410,000	997,000	9,109,000	7,255,000	(231,000)	2,928,000	74,787,000
Occidental	-	9,895,269	26,216,525	16,084,894	315,212	73,567,586	136,323,110	263,972,226	10,040,029	-	49,045,014	116,350,472	6,544,825	708,355,162
Pacis	-	1,166,000	806,000	8,279,000	562,000	1,910,000	142,779,000	58,980,000	6,101,000	4,388,000	7,777,000	7,183,000	197,000	240,130,000
Phoenix	-121,000	-3,010,000	-47,000	3,447,000	-2,421,000	2,423,000	63,293,000	15,878,000	3,483,000	-	5,970,000	-3,600,000	211,000	85,507,000
Pioneer	-	-	-	-	-	-	-	-	-	199,502,003	-	-	-	199,502,003
Real	-	8,641,000	7,521,000	66,990,000	13,259,000	20,488,000	275,858,000	193,999,000	28,686,000	24,744,000	42,001,000	37,725,000	5,823,000	725,735,000
Takaful	-	2,264,000	1,061,000	449,000	8,211,000	12,829,000	39,653,000	60,603,000	100,000	-	20,069,000	528,000	8,000	145,775,000
Tausi	-	-1,546,097	8,552,115	3,617,531	1,912,260	52,997,703	45,831,504	34,633,646	-85,445	-	44,437,103	47,544,839	4,197,077	242,092,236
The Monarch	-	-146,113	1,352,546	-236,808	3,591,333	935,331	64,662,636	34,447,735	171,955	-	3,651,211	-1,988,774	610,308	107,051,359
Trident	-	2,649,334	1,130,856	24,591,693	497,485	24,966,541	47,993,603	108,428,381	3,393,475	(4,139,206)	20,926,544	42,583,487	754,542	273,776,735
UAP	-	3,134,000	22,640,000	46,472,000	6,562,000	52,741,000	602,751,000	463,637,000	39,284,000	1,124,851,000	52,997,000	50,586,000	16,241,000	2,481,897,000
Xplico	-	123,275	408,972	130,507	274,518	961	98,997,677	40,717,991	3,133	-	-25,536	76,932	357,685	141,066,115
Total	4,376,000.00	263,550,653	273,635,137	699,646,017	405,071,782	811,204,150	7,749,035,632	8,687,284,866	747,349,057	6,737,982,001	1,124,074,077	1,873,414,120	288,643,798	29,665,269,299

Table 19: Underwriting Profit/Loss Per Class Per Company

Company Name	Aviation	Engineering	Fire Domestic	Fire Industrial	Public Liability	Marine	Motor Private	Motor Commercial	Personal Accident	Medical	Theft	WIBA	Miscellaneous	Total 2012
AIG	-	-2,615,000	26,479,000	-11,174,000	-41,646,000	-11,965,000	64,590,000	34,925,000	65,390,000	-	35,242,000	48,472,000	633,000	208,331,000
Amaco	-	-2,904,691	-7,497,709	-22,591,700	-1,165,034	-12,177,114	28,116,098	79,175,620	-17,982,351	-	-3,373,667	10,874,351	192,009	50,665,812
APA	-4,829,000	-9,771,000	17,219,000	-74,416,000	-77,733,000	-23,641,000	-5,956,000	77,942,000	58,067,000	-55,783,000	5,531,000	64,235,000	41,072,000	11,937,000
Britam	-	26,151,000	22,749,000	-15,650,000	13,735,000	10,340,000	41,942,000	138,189,000	133,948,000	59,791,000	17,016,000	14,404,000	26,532,000	489,146,000
Cannon	-	-16,818,003	1,535,813	-10,304,313	-3,897,539	-23,369,180	-21,457,822	81,244,310	-36,922,453	-	-9,257,099	-6,358,951	125,735,212	80,129,976
CIC General	-	10,985,000	32,008,000	112,009,000	-25,476,000	1,093,000	-86,302,000	309,086,000	12,549,000	-112,102,000	85,685,000	45,237,000	7,666,000	392,435,000
Corporate	-	4,117,000	1,298,000	-891,000	858,000	-215,000	1,070,000	-14,292,000	2,526,000	-	6,309,000	4,028,000	1,913,000	6,721,000
Directline	-	-	-	-	-	-	-	19,344,386	-	-	-	-	-	19,344,386
Fidelity Shield	-	1,518,000	3,759,000	-2,826,000	-2,463,000	2,434,000	-22,699,000	35,904,000	-5,813,000	-	285,000	18,635,000	300,000	29,034,000
First Assurance	-	49,054,000	11,037,000	26,511,000	-25,631,000	-1,622,000	91,170,000	37,456,000	8,055,000	-107,330,000	-1,510,000	-2,666,000	31,075,000	115,606,000
GA	-	1,056,000	2,733,000	1,283,000	-2,498,000	38,015,000	-6,462,000	-42,629,000	10,074,000	1,213,000	6,779,000	-26,594,000	90,954,000	73,924,000
Gateway	-	954,797	-14,769,152	-10,553,011	2,147,473	1,070,861	-26,039,824	-69,864,634	-12,872,323	-	-186,362	-3,543,032	-445,783	-134,100,999
Gemina	-	165,957	7,780,566	6,512,533	922,186	11,733,695	14,364,466	21,907,599	4,297,107	1,562,271,000	9,838,041	15,590,962	2,676,252	97,351,635
Heritage	3,000.00	3,676,000	30,900,000	-51,833,000	13,417,000	12,226,000	79,955,000	102,006,000	14,992,000	-75,477,000	-3,406,000	63,080,000	19,840,000	209,379,000
ICEA LION General	14,333,000	-465,000	23,347,000	49,751,000	2,894,000	15,199,000	48,377,000	116,218,000	5,064,000	11,716,000	17,172,000	69,091,000	16,036,000	388,733,000
Intra Africa	-	12,452,785	1,098,091	-10,358,195	-10,273	12,480,264	-7,156,414	-15,012,377	-18,370,699	-	-2,499,910	24,560,707	9,767,372	6,951,353
Invesco	-	-148,218	4,305,619	-13,056,076	81,457	56,294	45,664,163	13,446,079	-3,884,669	-	-207,670	-13,207	-45,341	46,198,431
Jubilee	8,231,000	-30,587,000	7,316,000	86,666,000	24,305,000	55,620,000	-220,382,000	161,027,000	-33,445,000	261,233,000	-5,303,000	44,717,000	6,424,000	365,822,000
Kenindia	-	-24,354,000	-4,155,000	-11,900,000	1,751,000	-60,174,000	8,489,000	64,036,000	-4,108,000	-100,610,000	-12,166,000	-105,631,000	-5,350,000	-254,172,000
Kenya Orient	-	3,394,809	2,125,375	3,688,256	-3,567,510	963,089	-6,847,146	47,397,455	755,655	-	11,437,794	5,877,380	18,615,370	83,835,589
Kenyan Alliance	-	-21,575,389	10,813,245	-40,410,779	-9,937,534	5,723,665	-12,178,697	21,516,164	28,900,234	-	5,750,088	5,379,423	3,114,429	-2,905,151
Madison	-	-3,279,000	10,065,000	4,154,000	9,213,000	1,427,000	-47,047,000	50,752,000	5,738,000	-202,353,000	960,000	11,475,000	-8,402,000	-167,296,000
Mayfair	1,778,288	2,475,559	-3,614,761	-4,354,532	-684,750	-12,656,656	-18,769,978	2,845,873	-3,478,397	-	-9,009,771	-272,362	-559,814	-46,301,302
Mercantile	-	1,849,000	293,000	-239,000	228,000	1,704,000	-25,143,000	-2,841,000	875,000	1,950,000	-3,706,000	2,289,000	31,378,000	8,637,000
Occidental	-	862,0824	-12,546,705	24,554,552	111,0411	-27,047,000	179,9694	-1,944,1628	803,9666	-	-634,9613	3664,911	231,75103	54,579,516
Pacific	-	-857,000	1,884,000	-8,802,000	2,634,000	-1,685,000	-38,284,000	44,209,000	3,607,000	-3,391,000	249,000	12,370,000	659,000	12,594,000

Phoenix	6,794,000	15,430,000	605,000	-605,000	2,890,000	-1,429,000	-46,227,000	-9,689,000	-2,826,000	-	-	-3,824,000	5,142,000	814,000	-32,925,000
Pioneer	-	-	-	-	-	-	-	-	-	-51,807,618	-	-	-	-	-51,807,618
Real	-	-3,821,000	8,052,000	-35,919,000	3,117,000	-16,523,000	45,932,000	124,514,000	-14,308,000	-6,272,000	-11,978,000	9,625,000	22,342,000	124,761,000	-76,668,000
Takaful	-	-4,250,000	-3,641,000	-4,306,000	-6,453,000	-13,219,000	-21,552,000	-6,082,000	-436,000	-	-18,025,000	2,641,000	-1,345,000	-	-
Tausi	-	9,410,787	1,451,360	18,857,664	459,379	-8,428,379	18,958,470	4,569,414	4,279,407	-	-15,928,347	9,026,595	12,078,633	54,734,983	-22,024,003
The Monarch	-	948,835	-820,614	1,140,794	-2,697,393	-29,274	-30,527,248	3,706,884	4,011,303	-	-1,478,269	5,022,225	-1,301,247	-	-
Trident	-	818,334	1,931,542	-170,953	-1,436,204	-571,228	-3,766,342	-40,212,781	-616,696	4,170,399	-7,908,112	26,189,729	64,293,275	42,720,963	-
UAP	-	52,494,000	27,096,000	101,371,000	28,943,000	3,087,000	2,724,000	180,993,000	-12,828,000	37,456,000	25,117,000	97,032,000	-3,590,000	539,897,000	-
Xplico	-	339,832	-19,088	401,508	611,746	35,817	37,059,947	9,319,641	28,896	-	406,786	261,133	7,801,358	56,247,575	-
Total	26,310,288	84,467,218	210,817,582	106,539,748	-95,978,585	-41,700,846	-100,405,633	1,561,676,005	203,305,680	-336,033,948	111,660,889	506,818,864	544,047,828	2,781,517,146	-

Nine (9) companies made losses during the year. Out of the companies that made losses in 2011, only two (2) managed to make a profit in 2012. Nine (9) companies made net losses in motor commercial. Eighteen (18) companies made losses in motor private while the rest made a profit. Liability, Marine, Motor private and Medical made losses in 2012. In 2011 only Liability and Medical had made losses. Motor commercial contributed over 57% of the profit generated by the industry.

The overall result for motor private was a loss of Ksh. 100 million compared to a profit of Kshs 320 million in 2011. The overall result for motor commercial was a profit of Kshs 1.6 billion compared to Kshs 1.4 billion in 2011. Only WIBA, Miscellaneous and Motor Commercial made a profit of over 500 million.

Table 20: Summary of Revenue Accounts

	Aviation	Engineering	Fire Domestic	Fire Industrial	Public Liability	Marine	Motor Private	Motor Commercial	Personal Accident	Medical	Theft	WIBA	Miscellaneous	Total 2012
Gross Written Premium	795,540,375	2,600,378,000	1,120,429,807	7,221,097,275	1,387,337,550	2,606,172,382	12,743,474,140	17,396,418,362	3,055,021,839	13,071,119,271	2,934,845,731	4,157,165,311	2,373,715,739	71,462,715,402
Re-insurance Ceded	788,722,723	2,081,697,130	232,200,257	5,519,391,369	694,477,306	1,206,551,520	500,784,696	645,162,093	1,164,795,441	2,934,591,264	1,089,624,817	78,538,065	1,153,885,407	18,090,238,505
Net Earned Premium	26,029,607	534,862,674	850,393,660	1,543,959,664	645,329,359	1,272,150,423	11,917,431,309	16,208,245,682	1,849,840,128	8,600,732,665	1,750,756,428	3,885,035,099	1,173,074,372	50,257,846,066
Net Claims Incurred	4,376,000	263,550,653	273,635,137	699,646,017	405,071,782	811,204,150	7,749,035,632	8,687,284,866	747,349,057	6,737,982,001	1,124,074,077	1,873,414,120	288,643,798	29,665,269,299
Total Expenses	-4,654,681	186,844,803	365,942,942	737,767,899	336,236,162	502,644,119	4,268,801,311	5,959,287,812	899,185,390	2,198,787,612	515,022,460	1,504,803,114	340,381,496	17,811,050,487
Underwriting Profit/Loss	26,310,288	84,467,218	210,817,582	106,539,748	-95,978,585	-41,700,846	-100,405,633	1,561,676,005	203,305,680	-336,033,948	111,660,889	506,818,864	544,047,828	2,781,517,146

The industry made an underwriting profit of Kshs 2.78 billion compared to Kshs 2.49 billion in 2011. Profit grew by 12% compared to a growth of 18% in gross premiums. Performance of medical insurance improved from a loss of 650 million to a loss of 336 million in 2012.



Table 21: Summary of Revenue Accounts (2008 - 2012)

	2008	2009	2010	2011	2012	Growth
Gross Written Premium	36.9	43.1	52.4	60.7	71.5	18%
Net Earned Premium	26.1	28.5	36.7	43.1	50.3	17%
Net Claims Incurred	15.9	17.6	22.5	25.5	29.7	16%
Total Expenses	9.4	10.6	12.9	15.1	17.8	18%
Underwriting Profit/Loss	0.8	0.4	1.3	2.5	2.8	12%

Figures in Billions

Profit grew at a slower rate than the growth in gross premium.

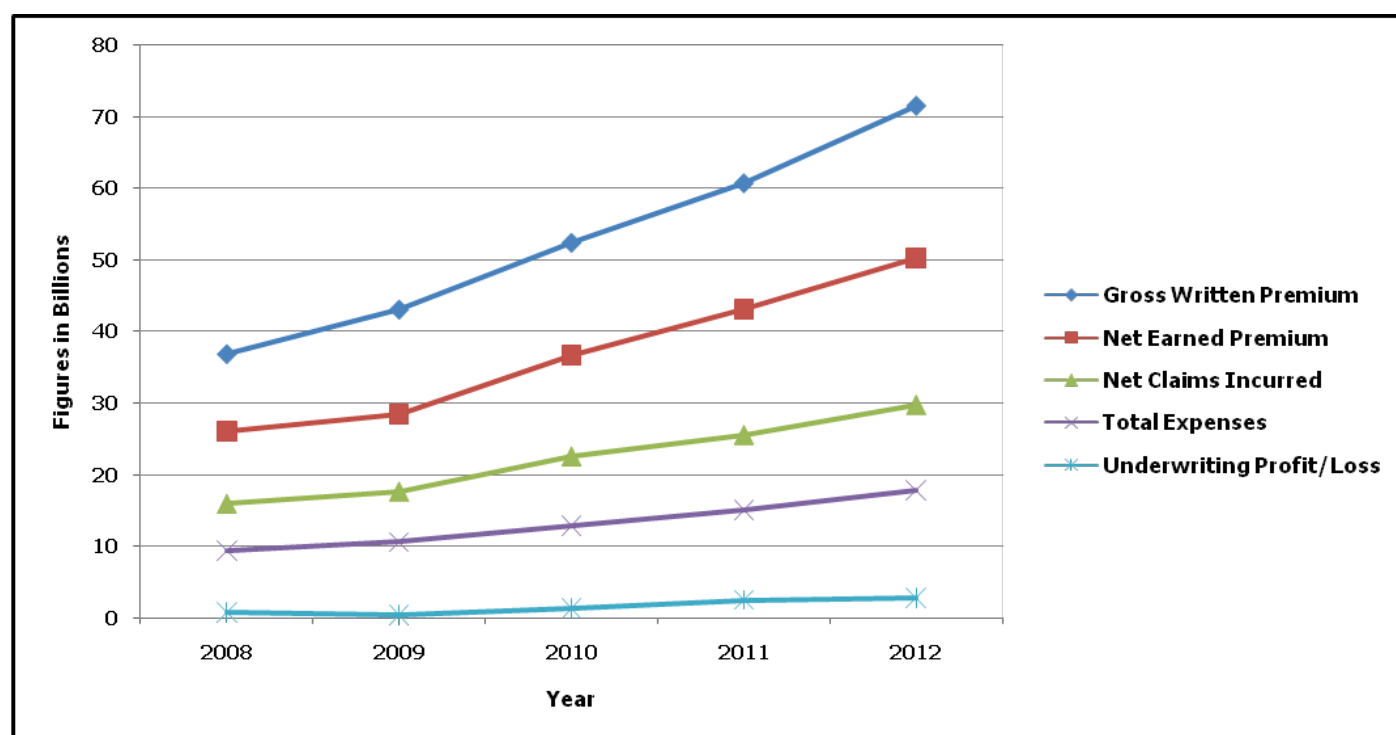


Figure 5: Revenue Accounts Summary (2008 - 2012)

6.5 Claims

The incurred claims amounted to Kshs. 29.7 billion in 2012 compared to Kshs 25.5 billion in 2011. This reflects an increase of 16% compared to 13% in the previous year. This explains the lower growth in profits.

Table 22: Technical Loss Ratio per Class

Class	Net Earned Premium	Net Claims Incurred	Loss Ratio
Aviation	26,029,607	4,376,000	16.8%
Engineering	534,862,674	263,550,653	49.3%
Fire Domestic	850,393,660	273,635,137	32.2%
Fire Industrial	1,543,959,664	699,646,017	45.3%
Public Liability	645,329,359	405,071,782	62.8%
Marine	1,272,150,423	811,204,150	63.8%
Motor Private	11,917,431,309	7,749,035,632	65.0%
Motor Commercial	16,208,245,682	8,687,284,866	53.6%
Personal Accident	1,849,840,128	747,349,057	40.4%
Medical	8,600,732,665	6,737,982,001	78.3%
Theft	1,750,756,428	1,124,074,077	64.2%
WIBA	3,885,035,099	1,873,414,120	48.2%
Miscellaneous	1,173,074,372	288,643,798	24.6%

Table 22 above shows that Medical insurance had the highest loss ratio of 78% followed by motor private at 65%. Aviation had the lowest loss ratio of 16%. Six classes of insurance had loss ratios of 50% and above.

Table 23: Technical Loss Ratio per Class per year for the Last five Years (2008 -2012)

Class	2008	2009	2010	2011	2012
Aviation	65.4%	33.5%	46.6%	65.0%	16.8%
Engineering	55.1%	46.8%	55.4%	50.2%	49.3%
Fire Domestic	35.2%	33.7%	34.5%	31.9%	32.2%
Fire Industrial	51.1%	55.0%	44.3%	42.5%	45.3%
Public Liability	47.3%	48.0%	44.7%	66.3%	62.8%
Marine	51.2%	51.4%	50.3%	61.4%	63.8%
Motor Private	83.5%	80.8%	74.9%	61.0%	65.0%
Motor Commercial	57.4%	58.6%	58.8%	53.2%	53.6%
Personal Accident	50.2%	68.1%	35.2%	39.2%	40.4%
Medical	74.0%	80.4%	81.5%	83.8%	78.3%
Theft	60.8%	59.8%	45.8%	63.7%	64.2%
WIBA	37.9%	37.8%	46.7%	57.3%	48.2%
Miscellaneous Accidents	31.2%	31.8%	20.8%	38.3%	24.6%
Average Loss Ratio	61.0%	61.7%	61.3%	59.1%	49.6%



There was a great improvement in marine insurance business from a loss ratio of 65% in 2011 to 17 % in 2012. Miscellaneous accidents also improved from 38% to 24%. The motor private technical loss ratio increased from 61% (2011) to 65% (2012), with an overall net loss of 100 million. The overall industry technical loss ratio improved from 59.1% in 2011 to 49.6% in 2012.

6.6 Expenses

Total expenses amounted to Kshs 17.8 billion compared to Kshs 15.1 billion in 2011. This represents an increase of 18% from the previous year. The increase in expenses between 2010 and 2011 was 17%. The total expenses accounted for 25% of the gross written premium for the year, a scenario witnessed for the last five years. This represents an increase of 18% in 2012 compared to 17% in 2011.

6.7 Reinsurance premiums

Table 21 below shows the reinsurance costs per company. The total reinsurance premium amounted to Kshs. 18.1 billion compared to 13.2% in 2011. This represents 25% of the gross written premiums. Fire Industrial accounted for the highest portion of reinsurance premiums, followed by Medical and Engineering.

Table 24: Summary of Re-insurance Premium Ceded

Company Name	Aviation	Engineering	Fire Domestic	Fire Industrial	Public Liability	Marine	Motor Private	Motor Commercial	Personal Accident	Medical	Theft	WIBA	Miscellaneous	Total
AIG	-	32,856,000	1,131,000	808,251,000	172,773,000	51,511,000	9,122,000	15,346,000	10,058,000	-	307,984,000	5,850,000	6,219,000	1,421,101,000
Amaco	-	23,580,739	3,707,726	46,367,630	4,280,376	20,015,648	119,354,219	220,178,805	18,033,602	-	6,551,242	4,160,968	9,816,387	476,047,743
APA	80,771,000	121,543,000	10,742,000	341,503,000	53,678,000	88,862,000	28,317,000	-33,030,000	14,975,000	26,392,000	2,151,000	43,522,000	51,226,000	743,608,000
Briam	-	103,518,000	16,928,000	122,705,000	14,765,000	149,347,000	14,898,000	18,884,000	162,769,000	17,656,000	2,632,000	2,392,000	3,343,000	629,835,000
Cannon	-	117,283,804	3,452,645	57,977,004	8,644,770	6,454,835	19,216,979	25,843,583	9,140,822	-	1,548,186	1,716,662	66,993,118	318,272,408
CIC General	-	50,532,000	3,573,000	166,234,000	87,032,000	7,207,000	22,670,000	32,363,000	26,449,000	261,613,000	14,275,000	2,769,000	64,612,000	739,129,000
Corporate	-	33,580,000	3,782,000	33,308,000	330,000	3,353,000	3,473,000	3,387,000	2,032,000	-	4,456,000	452,000	3,052,000	91,205,000
Directline	-	-	-	-	-	-	-	34,657,094	-	-	-	-	-	34,657,094
Fidelity Shield	-	15,844,000	6,107,000	110,628,000	2,815,000	29,348,000	12,764,000	19,005,000	14,659,000	-	37,631,000	2,268,000	9,110,000	260,179,000
First Ass.	-	206,544,000	10,476,000	241,218,000	41,771,000	54,550,000	9,565,000	19,379,000	31,548,000	-28,141,000	44,000,000	3,356,000	57,972,000	692,238,000
GA	-	115,082,000	7,520,000	253,177,000	2,738,000	81,526,000	10,139,000	15,702,000	7,355,000	361,746,000	11,469,000	15,239,000	9,759,000	891,452,000
Gateway	-	1,633,549	1,574,677	5,828,994	11,327,702	233,578	6,839,182	21,007,376	2,239,145	-	2,834,819	376,317	3,857,411	57,752,750
Geminia	-	46,771,556	6,952,639	106,569,759	3,334,866	64,679,493	7,473,052	12,211,868	18,065,029	-	63,515,026	6,967,608	14,984,495	351,525,391
Heritage	-	120,418,000	14,953,000	220,724,000	102,558,000	8,553,000	6,430,000	11,961,000	31,848,000	688,305,000	2,432,000	3,976,000	47,203,000	1,259,361,000
ICEA LION General	614,839,000	61,945,000	21,090,000	455,639,000	56,925,000	151,414,000	22,562,000	45,004,000	77,699,000	6,440,000	31,824,000	19,576,000	36,984,000	1,601,940,000
Intra Africa	-	28,559,281	6,589,159	31,366,912	135,941	18,509,777	4,078,224	6,253,277	4,159,792	-	15,278,908	3,126,638	17,392,322	135,450,231
Invesco	-	22,378	3,341,111	808,239	-	653,167	8,228,488	24,817,281	1,954,562	-	463,469	249,746	104,398	40,642,856
Jubilee	9,194,000	216,639,000	9,431,000	390,954,000	(9,903,000)	7,369,000	24,316,000	14,114,000	445,703,000	1,054,967,000	68,741,000	11,816,000	69,386,000	2,312,725,000
Kenindia	-	170,453,000	11,647,000	640,747,000	32,658,000	69,856,000	8,218,000	14,445,000	62,593,000	79,496,000	193,103,000	9,811,000	17,024,000	1,310,051,000
Kenya Orient	-	13,190,689	3,162,952	14,989,928	2,091,985	2,283,733	24,328,856	11,568,566	6,772,835	-	25,436,130	872,657	27,515,105	132,213,436
Kenyan Alliance	-	12,276,793	1,686,460	50,060,589	1,667	2,800,881	49,037,008	12,340,602	180,410	-	309,705	273,848	4,700	128,972,662
Madison	-	25,325,000	3,257,000	36,657,000	8,406,000	1,826,000	9,576,000	-	17,738,000	232,897,000	377,000	-	3,220,000	339,279,000
Mayfair	8,377,723	105,277,374	19,648,052	141,890,945	2,301,536	70,137,557	6,581,214	7,332,642	19,733,993	-	60,232,937	6,069,155	101,956,491	549,539,619
Mercantile	-	9,643,000	2,368,000	32,163,000	996,000	3,558,000	6,857,000	5,069,000	8,005,000	31,593,000	14,189,000	-	267,875,000	382,316,000
Occidental	-	77,666,714	8,759,336	136,260,561	4,839,672	50,575,372	2,253,192	3,266,826	30,284,632	-	55,974,947	2,890,182	24,901,755	397,673,189
Pacs	-	6,195,000	4,247,000	35,308,000	473,000	1,914,000	7,834,000	6,075,000	(1,046,000)	47,564,000	759,000	1,319,000	2,896,000	113,538,000
Phoenix	75,541,000	46,662,000	1,407,000	57,211,000	943,000	6,492,000	5,684,000	2,084,000	876,000	-	986,000	1,912,000	2,559,000	202,397,000
Pioneer	-	-	-	-	-	-	-	-	-	13,388,569	-	-	-	13,388,569
Real	-	164,041,000	5,673,000	165,640,000	19,026,000	122,514,000	13,445,000	9,525,000	91,801,000	105,569,000	816,000	2,406,000	23,040,000	723,516,000

Takaful		-	5,586,000	3,428,000	9,797,000	2,325,000	2,325,000	2,325,000	643,000	-	2,325,000	4,007,000	4,959,000	42,848,000
Tausi		-	33,380,143	13,277,174	105,487,042	2,143,578	2,243,825	8,310,435	7,532,729	-	34,449,692	2,894,551	7,372,802	257,262,111
The Monarch		-	4,339,223	372,167	7,941,579	77,993	1,732,660	2,092,958	4,808,160	-	3,663,240	194,976	8,919,072	37,473,231
Trident		-	15,979,459	2,685,662	112,517,708	1,976,534	38,273	14,388,123	4,956,398	-	36,146,301	(5,207,200)	48,869,464	258,662,597
UAP		-	95,329,428	19,230,497	578,631,934	63,011,686	24,957,968	36,373,588	31,228,332	35,105,695	43,070,215	10,324,957	136,987,289	1,130,317,850
Xplico		-	-	-	828,545	-	6,226,556	2,881,069	-	-	-	-	3,731,598	13,667,768
Total	788,722,723	2,081,697,130	232,200,257	5,519,391,369	694,477,306	1,206,551,520	500,784,696	645,162,093	1,164,795,441	2,934,591,264	1,089,624,817	78,538,065	1,153,885,407	18,090,238,505

6.8 Underwriting Results

The overall underwriting result was Kshs 2.8 billion compared to Kshs 2.5 billion in 2011. The underwriting profit increased by 12%. In 2011, the underwriting profit doubled from 1.27 billion in 2010 to 2.5 billion. Motor commercial contributed 57% of the overall profit. In 2011, motor private made a profit for the first time in 10 years. However, it made a loss of 100 million in 2012.

Table 25: Summary of Underwriting Profit/Loss per Company for Non-Life Business

Company Name	Aviation	Engineering	Fire Domestic	Fire Industrial	Public Liability	Marine	Motor Private	Motor Commercial	Personal Accident	Medical	Theft	WIBA	Miscellaneous	Total
AIG	-	-2,615,000	26,479,000	-11,174,000	-41,646,000	-11,965,000	64,590,000	34,925,000	65,390,000	-	35,242,000	48,472,000	633,000	208,331,000
Ameco	-	-2,904,691	-7,497,709	-22,591,700	-1,165,034	-12,177,114	28,116,098	79,175,620	-17,982,351	-	-3,373,667	10,874,351	192,009	50,665,812
APA	-4,829,000	-9,771,000	17,219,000	-74,416,000	-77,733,000	-23,641,000	-5,956,000	77,942,000	58,067,000	-55,783,000	5,531,000	64,235,000	41,072,000	11,937,000
Britam	-	26,151,000	22,749,000	-15,650,000	13,735,000	10,340,000	41,942,000	138,189,000	133,948,000	59,791,000	17,016,000	14,404,000	26,532,000	489,146,000
Cannon	-	-16,818,003	1,535,813	-10,304,313	-3,897,539	-23,369,180	-21,457,822	81,244,310	-36,922,453	-	-9,257,099	-6,358,951	125,735,212	80,129,976
CIC General	-	10,985,000	32,008,000	112,009,000	-25,476,000	1,093,000	-86,302,000	309,086,000	12,549,000	-112,102,000	85,685,000	45,237,000	7,666,000	392,435,000
Corporate	-	4,117,000	1,298,000	-891,000	858,000	-215,000	1,070,000	-14,292,000	2,526,000	-	6,309,000	4,028,000	1,913,000	6,721,000
Directline	-	-	-	-	-	-	-	19,344,386	-	-	-	-	-	19,344,386
Fidelity Shield	-	1,518,000	3,759,000	-2,826,000	-2,463,000	2,434,000	-22,699,000	35,904,000	-5,813,000	-	285,000	18,635,000	300,000	29,034,000
First Assurance	-	49,054,000	11,037,000	26,511,000	-25,631,000	-1,622,000	91,170,000	37,466,000	8,055,000	-107,330,000	-1,510,000	-2,666,000	31,075,000	115,606,000
GA	-	1,056,000	2,733,000	1,283,000	-2,498,000	38,015,000	-6,462,000	-42,629,000	10,074,000	1,213,000	6,779,000	-26,594,000	90,954,000	73,924,000
Gateway	-	954,797	-14,769,152	-10,553,011	2,147,473	1,070,861	-26,039,824	-69,864,634	-12,872,323	-	-186,362	-3,543,032	-445,783	-134,100,999
Geminia	-	165,957	7,780,566	6,512,533	922,186	11,733,695	14,364,466	21,907,999	4,297,107	1,562,271,000	9,838,041	15,590,962	2,676,252	97,351,635
Heritage	3,000.00	3,676,000	30,900,000	-51,833,000	13,417,000	12,226,000	79,955,000	102,006,000	14,992,000	-75,477,000	-3,406,000	63,080,000	19,840,000	209,379,000
ICEA LION General	14,333,000	-465,000	23,347,000	49,751,000	2,894,000	15,199,000	48,377,000	116,218,000	5,064,000	11,716,000	17,172,000	69,091,000	16,036,000	388,733,000
Intra Africa	-	12,452,785	1,098,091	-10,358,195	-10,273	12,480,264	-7,156,414	-15,012,377	-18,370,699	-	-2,499,910	24,560,707	9,767,372	6,951,353
Invesco	-	-148,218	4,305,619	-13,056,076	81,457	56,294	45,664,163	13,446,079	-3,884,669	-	-207,670	-13,207	-45,341	46,198,431
Jubilee	8,231,000	-30,587,000	7,316,000	86,666,000	24,305,000	55,620,000	-220,382,000	161,027,000	-33,445,000	261,233,000	-5,303,000	44,717,000	6,424,000	365,822,000
Kenindia	-	-24,354,000	-4,155,000	-11,900,000	1,751,000	-60,174,000	8,489,000	64,036,000	-4,108,000	-100,610,000	-12,166,000	-105,631,000	-5,350,000	-254,172,000
Kenya Orient	-	3,394,809	2,125,375	3,688,256	-3,567,510	963,089	-6,847,146	47,397,455	755,655	-	11,437,794	5,877,380	18,615,370	83,835,589
Kenyan Alliance	-	-21,575,389	10,813,245	-40,410,779	-9,937,534	5,723,665	-12,178,697	21,516,164	28,900,234	-	5,750,088	5,379,423	3,114,429	-2,905,151
Madison	-	-3,279,000	10,065,000	4,154,000	9,213,000	1,427,000	-47,047,000	50,752,000	5,738,000	-202,353,000	960,000	11,475,000	-8,402,000	-167,296,000
Mayfair	1,778,288	2,475,559	-3,614,761	-4,354,532	-684,750	-12,656,656	-18,769,978	2,845,873	-3,478,397	-	-9,009,771	-272,362	-559,814	-46,301,302
Mercantile	-	1,849,000	293,000	-239,000	228,000	1,704,000	-25,143,000	-2,841,000	875,000	1,950,000	-3,706,000	2,289,000	31,378,000	8,637,000
Occidental	-	862,0824	-12546705	24554552	1110411	-27204700	17979694	-19441628	8039666	-	-6349613	36641911	23175103	54,579,516
Pacis	-	-857,000	1,884,000	-8,802,000	2,634,000	-1,685,000	-38,284,000	44,209,000	3,607,000	-3,391,000	249,000	12,370,000	659,000	12,594,000
Phoenix	6,794,000	15,430,000	605,000	-605,000	2,890,000	-1,429,000	-46,227,000	-9,689,000	-2,826,000	-	-3,824,000	5,142,000	814,000	-32,925,000
Pioneer	-	-	-	-	-	-	-	-	-	-51,807,618	-	-	-	-51,807,618
Real	-	-3,821,000	8,052,000	-35,919,000	3,117,000	-16,523,000	45,932,000	124,514,000	-14,308,000	-6,272,000	-11,978,000	9,625,000	22,342,000	124,761,000
Takaful	-	-4,250,000	-3,641,000	-4,306,000	-6,453,000	-13,219,000	-21,552,000	-6,082,000	-436,000	-	-18,025,000	2,641,000	-1,345,000	-76,668,000
Trausi	-	9,410,787	1,451,360	18,857,664	459,379	-8,428,379	18,958,470	4,569,414	4,279,407	-	-15,928,347	9,026,595	12,078,633	54,734,983
The Monarch	-	948,835	-820,614	1,140,794	-2,697,393	-29,274	-30,527,248	3,706,884	4,011,303	-	-1,478,269	5,022,225	-1,301,247	-22,024,003
Trident	-	818,334	1,931,542	-170,953	-1,436,204	-571,228	-3,766,342	-40,212,781	-616,696	4,170,399	-7,908,112	26,189,729	64,293,275	42,720,963
UAP	-	52,494,000	27,096,000	101,371,000	28,943,000	3,087,000	2,724,000	180,993,000	-12,828,000	37,456,000	25,117,000	97,032,000	-3,590,000	539,897,000
Xplico	-	339,832	-19,088	401,508	611,746	35,817	37,059,947	9,319,641	28,896	-	406,786	261,133	7,801,358	56,247,575
Total	26,310,288	84,467,218	210,817,582	106,539,748	-95,978,585	-41,700,846	-100,405,633	1,561,676,005	203,305,680	-336,033,948	111,660,889	506,818,864	544,047,828	2,781,517,146



7. Life Insurance Business

Life Insurance is a long-term contract between a policy holder and an insurer and facilitates long-term savings. Regular savings over a long period ensures that a decent amount is accumulated to meet the policyholders' financial needs at various stages in life. In the event of death of the Policyholder, life insurance ensures that the loved ones continue to enjoy quality life. Other events in life that may trigger payment depending on the terms of the contract include critical illness, terminal illness, temporary or permanent disability. Other expenses such as funeral expenses may also be covered.

Life Insurance not only provides for financial support in the event of untimely death but also acts as a long term investment. It enables a Policyholder meet his/her goals such as childrens' education, marriage, building homes or planning for relaxed retired life. Life insurance policies normally comprise Protection policies which are designed to provide a benefit in the happening of the insured event and investment policies whose main objective is to facilitate the growth of capital or a combination of both.

There are four broad classes of life insurance in the Kenyan market, namely:-

- a) Ordinary Life Assurance which comprises all individual life policies categorized as Term Assurance policies; Endowment policies; Investment Policies and Whole life policies
- b) Group Life Assurance which comprises Group Life schemes mainly organized by employers on behalf of their employees ; Group Credit/ Group Mortgage Schemes which are loan protection schemes organized by financiers like banks, co-operative societies, microfinance institutions, etc.; and Last expense schemes which are many a time given as a rider to the group life schemes. Nevertheless, Last

expense covers can also be arranged on standalone basis.

- c) Deposit Administration/Pension Business. This is a unique class of life insurance business. The uniqueness of the Deposit Administration class of business is that the insurance company gives a guarantee on the capital plus a minimum rate of return on the pension funds.
- d) Investment/Unit Linked Contracts whose main objective is to facilitate the growth of capital invested by the client.

7.1 Premium Income

Total premium income and contributions from all the classes of life insurance business (Ordinary Life, Group Life, Deposit Administration and Investment/ Unit Linked Contracts) was Kshs. 37.08 billion in 2012 compared to Kshs. 30.93 billion in 2011. This represents a growth of 19.9% (2011: 15.8%). The contribution of the life insurance sector to the GDP marginally increased from 1.02% in 2011 to 1.08% in 2012.

7.2 Ordinary Life Insurance

Ordinary life insurance recorded a gross premium income of Kshs. 11.66 billion in 2012 compared to 10.51 billion in 2011. The growth in the ordinary life business during the year was 10.9% (2011: 22.7 %).

Endowment policies accounted for Kshs. 10.26 billion (88%), Term assurance policies Kshs. 0.93 billion (8%), Whole Life policies Kshs. 0.35 billion (3%) and Annuity policies accounted for Kshs. 0.12 billion (1%). Figure 6 below shows that the most dominant policy sold was endowment.

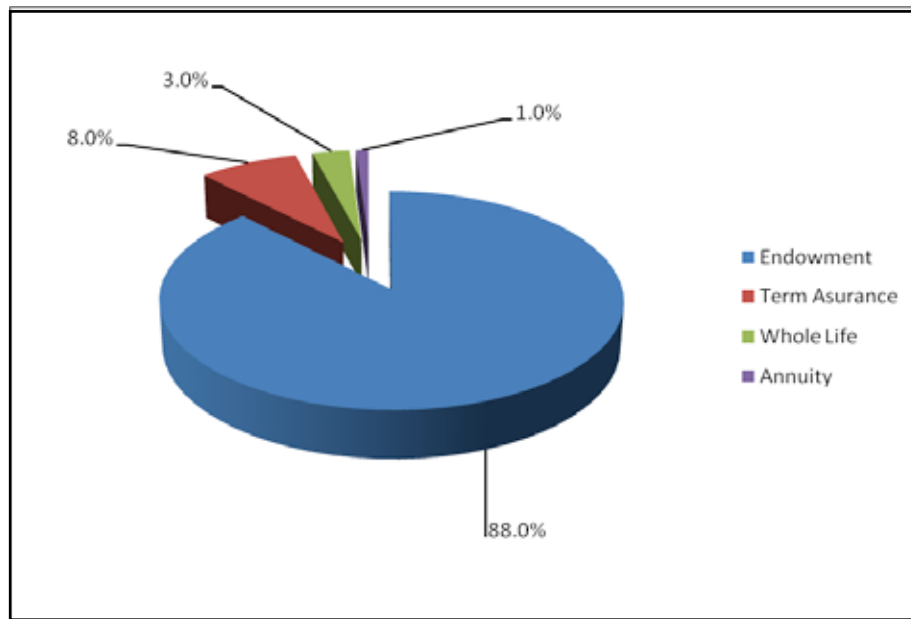


Figure 6: Composition of Ordinary Life Business 2012

7.3 Group Life Insurance

Group life insurance recorded gross premium income of Kshs. 10.03 billion compared to Kshs. 7.30 billion in 2011. The overall growth in group life business during the year was 37.4% (2010: 11.5 %). The Underwriting guidelines issued by IRA last year for group life insurance coupled with the introduction of the AKI Group Life Best Practice Award may have contributed to this growth. There was also a marked growth in the annuity business, which contributed to the growth in this class.

Group Life schemes contributed 21%, Group Credit/Mortgage schemes 58%, Last Expense schemes 1%, Annuity schemes 18% and Micro insurance 2%.

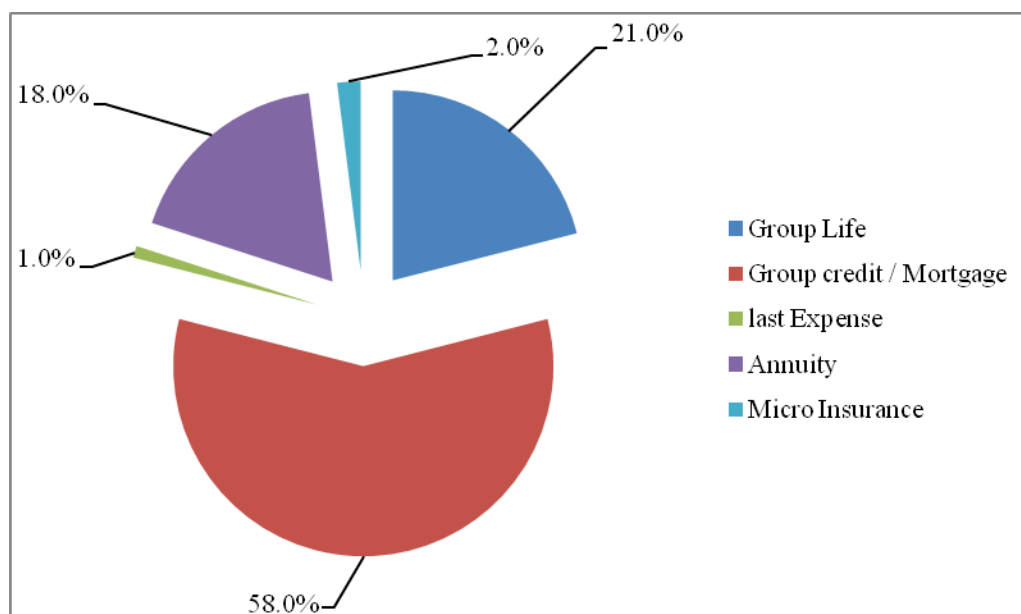


Figure 7: Composition of Group Life Insurance 2012



7.4 Deposit Administration/Pension

Contributions to Deposit Administration schemes during the year amounted to Kshs. 12.82 billion compared to Kshs 10.70 billion in 2011, a growth of 19.8% (2011: 18.2%). This class of business comprises Group Pension Schemes and Personal Pension Plans. The growth in this class of business could be attributed to the fact that the pension funds managed by insurance companies have been performing reasonably well in terms of investment returns. There has also been substantial growth in umbrella schemes. The increased uptake of the personal pension plans and the umbrella schemes is driven by the high costs associated with running group retirement benefits schemes.

Group Pension schemes contributed Kshs. 8.85 billion (69%), while Individual Pension Plans contributed Kshs. 3.97 billion (31%).

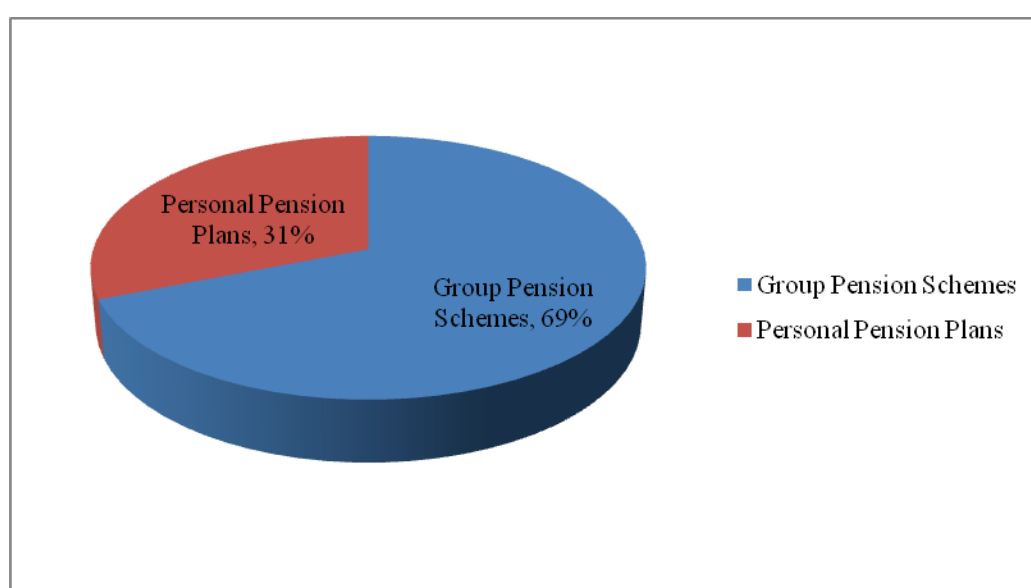


Figure 8: Composition of Deposit Administration/Pension contributions - 2012

Total fund held by insurance companies increased by 22.9% to Kshs 68.34 billion from Kshs 55.62 billion in the year 2011. The growth is partially attributed to the high interest returns declared by insurance companies during the year. The industry recorded an average **Net Rate of Return** of 12.6 % in 2012 compared to 6.7% in 2011.

Total interest paid by the industry on Deposit Administration Schemes was Kshs 7.64 billion compared to Kshs 4.23 billion in 2011, an increase of **80.6%**. This is a reflection of the good performance of the pension funds managed by insurance companies.

The claims and benefits paid during the year amounted to Kshs. 7.20 billion compared to Kshs 7.50 billion in 2011, representing a decrease of 4.0%. This may be as a result of the education programmes being carried out by the industry for pension scheme members discouraging withdrawal of their pension funds when they change jobs.

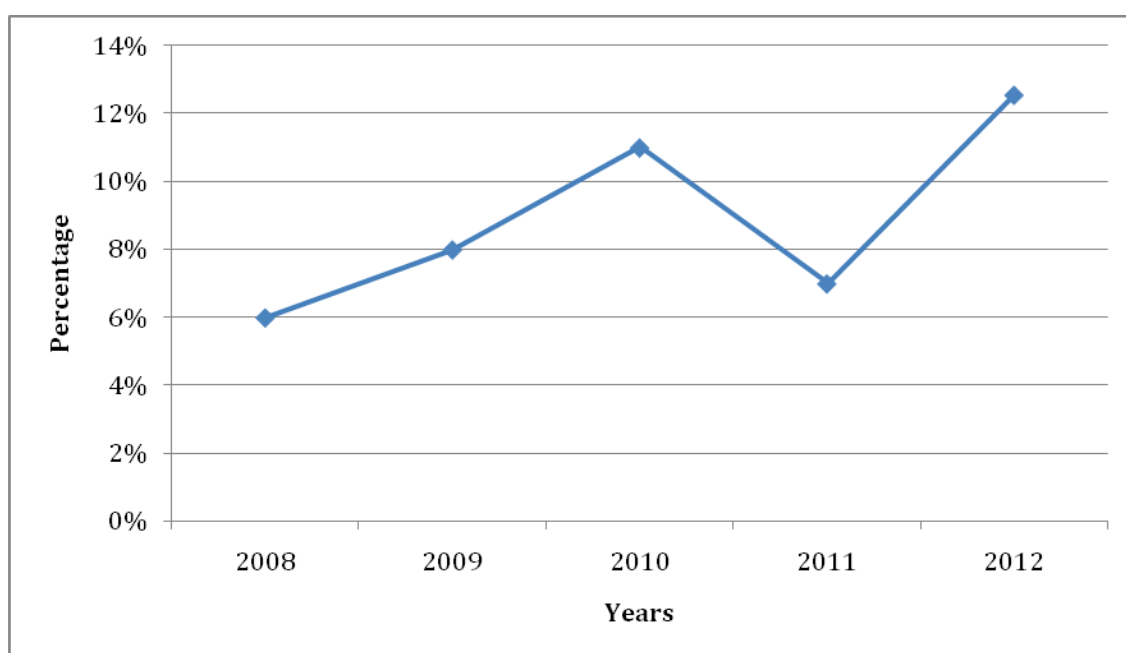


Figure 9: Average Net Interest Rates Declared (2008 – 2012)

Interest rates have been increasing steadily except in 2011 when the investment market performed dismally. The Industry recorded an average net rate of return of 12.6% in 2012 compared to 6.7 % in 2011.

7.5 Investment/Unit Linked Contracts

Contributions by this class of business during the year amounted to Kshs. 2.57 billion compared to Kshs. 2.42 billion in 2011, an increase of 6.2 %.

7.6 Distribution of Gross Written Premiums per Class (2008 - 2012)

The distribution of gross written premium and contributions from Deposit Administration and Investment/Unit Linked Contracts' in 2012 is illustrated in the table below:-

Table 26: Summary of Gross Written Premiums and Distribution per Class (2008 – 2012)

Class of Business	2008		2009		2010		2011		2012	
	Gross Premium (Kshs)	Share (%)	Gross Premium (Kshs)	Share (%)	Gross Premium (Kshs)	Share (%)	Gross Premium (Kshs)	Share (%)	Gross Premium (Kshs)	Share (%)
Deposit Administration	6,627,626	36.20	8,167,155	38.23	9,046,326	33.87	10,697,438	34.59	12,822,164	34.58
Ordinary Life	7,109,690	38.84	7,589,022	35.52	8,559,005	32.04	10,509,989	33.98	11,657,071	31.44
Group Life	4,569,458	24.96	5,607,233	26.25	6,545,259	24.50	7,302,550	23.61	10,030,576	27.05
Investment Contracts/ Unit Linked					2,561,381	9.59	2,416,269	7.81	2,572,852	6.94
Total	18,306,773	100	21,363,410	1000	26,711,970	100	30,926,246	100	37,082,663	100



Deposit Administration class of business had the highest market share at 34.6% with total contributions of Kshs. 12.82 billion, while the ordinary life insurance had a market share of 31.4% with total premium of Kshs. 11.66 billion. The growth of life insurance portfolio was 16.7% in 2009, 25.0% in 2010, 15.8% in 2011 and 19.9% in 2012.

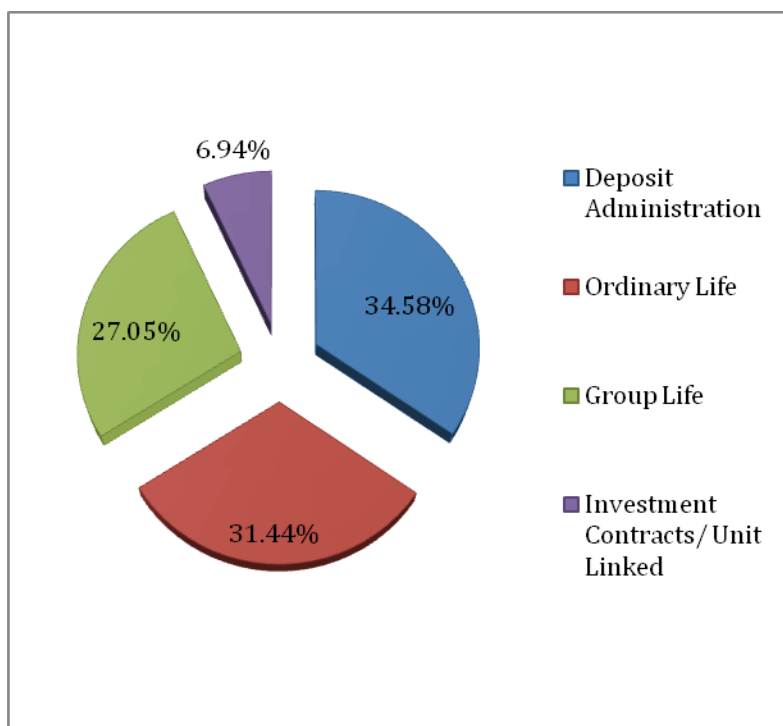


Figure 10: Life insurance business in 2012

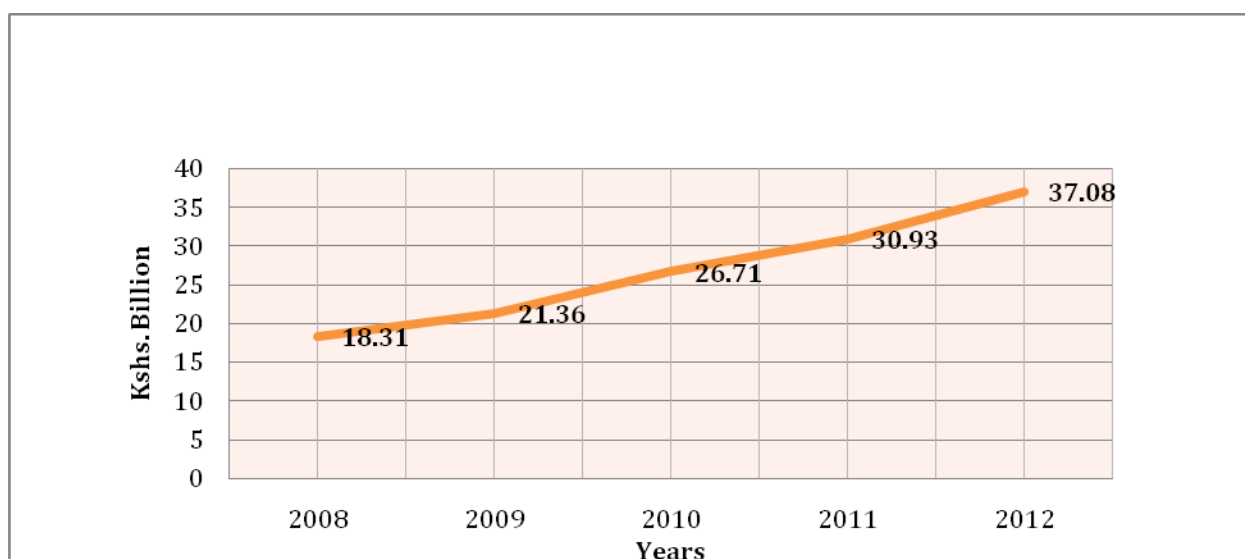


Figure 11: Growth of Life Insurance Premiums and Contributions

Life insurance premium and contributions have been growing steadily over the years, rising from Kshs. 18.31 billion in 2008 to Kshs. 37.08 billion in 2012.

Gross written premiums per company and market share for the last five years is illustrated below:-

Table 27: Ordinary Life Gross Written Premium and Market Share Per Company (2008– 2012)

Company	2008		2009		2010		2011		2012	
	Gross Premium	Market Share	Gross Premium	Market Share	Gross Premium	Market Share	Gross Premium	Market Share	Gross Premium	Market Share
Apollo	44,788	0.63%	35,715	0.47%	40,538	0.47%	33,687	0.32%	26,006	0.22%
Britam	1,872,727	26.34%	1,912,873	25.21%	2,065,695	24.13%	2,563,333	24.39%	2,827,779	24.26%
Cannon	72,140	1.01%	73,935	0.97%	76,007	0.89%	411,973	3.92%	93,040	0.80%
Capex	27,165	0.38%	17,316	0.23%	14,846	0.17%	13,870	0.13%	11,965	0.10%
CFC Life	913,813	12.85%	926,379	12.21%	1,094,199	12.78%	1,127,023	10.72%	1,156,761	9.92%
CIC Life	88,744	1.25%	102,565	1.35%	188,593	2.20%	286,798	2.73%	350,154	3.00%
Corporate	76,419	1.07%	99,079	1.31%	118,029	1.38%	150,520	1.43%	182,009	1.56%
First Assurance	0	0.00%	13,049	0.17%	0	0.00%	0	0.00%	0	0.00%
Geminia	10,483	0.15%	0	0.00%	13,611	0.16%	17,718	0.17%	20,976	0.18%
ICEA LION Life	501,709	7.06%	584,004	7.70%	728,523	8.51%	917,909	8.73%	1,145,067	9.82%
Jubilee	380,651	5.35%	482,833	6.36%	693,793	8.11%	949,236	9.03%	1,154,515	9.90%
Kenindia	287,388	4.04%	292,705	3.86%	377,709	4.41%	373,943	3.56%	405,668	3.48%
Kenyan Alliance	271	0.00%	167	0.00%	289	0.00%	0	0.00%	3,896	0.03%
Madison	426,728	6.00%	434,604	5.73%	467,995	5.47%	527,609	5.02%	606,496	5.20%
Mercantile	34,324	0.48%	34,573	0.46%	37,746	0.44%	37,629	0.36%	39,905	0.34%
Metropolitan Life	74,741	1.05%	59,964	0.79%	56,910	0.66%	56,034	0.53%	53,183	0.46%
Monarch	0	0.00%	0	0.00%	0	0.00%	396	0.00%	769	0.01%
Old Mutual	386,367	5.43%	378,056	4.98%	376,496	4.40%	349,429	3.32%	379,402	3.25%
Pan Africa Life	1,502,445	21.13%	1,512,171	19.93%	1,697,407	19.83%	2,028,823	19.30%	2,295,876	19.70%
Pioneer	228,900	3.22%	289,971	3.82%	311,557	3.64%	374,013	3.56%	482,102	4.14%
Shield	115,367	1.62%	0	0.00%	133,645	1.56%	155,932	1.48%	148,312	1.27%
UAP Life	64,520	0.91%	207,944	2.74%	65,417	0.76%	134,116	1.28%	273,188	2.34%
Total	7,109,690	100.00%	7,589,022	100.00%	8,559,005	100.00%	10,509,989	100.00%	11,657,071	100.00%

Figures in Kshs'000

The gross written premium for Ordinary Life insurance was Kshs. 11.66 billion. Six (6) companies have a market share of over 5% and account for 78.8% of the business. Britam is the market leader with a market share of share of 24.3% followed by Pan Africa Life with a market share of 19.7%.

Table 28: Group Life Gross Written Premium and Market Share per Company (2008 – 2012)

Company	2008		2009		2010		2011		2012	
	Gross Premium	Market Share	Gross Premium	Market Share	Gross Premium	Market Share	Gross Premium	Market Share	Gross Premium	Market Share
Apollo	124,102	2.72%	148,067	2.64%	174,051	2.66%	212,514	2.91%	191,025	1.90%
Britam	475,247	10.40%	588,977	10.50%	608,665	9.30%	908,854	12.45%	1,105,693	11.02%
Cannon	2,378	0.05%	4,750	0.08%	5,354	0.08%	10,907	0.15%	10,667	0.11%
Capex	58	0.00%	75	0.00%	2,190	0.03%	956	0.01%	317	0.00%
CFC Life	95,432	2.09%	121,144	2.16%	137,136	2.10%	205,666	2.82%	356,694	3.56%
CIC Life	1,000,642	21.90%	1,119,055	19.96%	1,406,501	21.49%	1,868,612	25.59%	2,102,617	20.96%
Corporate	2,392	0.05%	1,564	0.03%	289	0.00%	402	0.01%	3,246	0.03%
First Assurance	58,175	1.27%	98,761	1.76%	78,863	1.20%	51,867	0.71%	61,307	0.61%
Geminia	2,062	0.05%	1,397	0.02%	4,224	0.06%	10,474	0.14%	16,544	0.16%
Heritage	164,450	3.60%	143,116	2.55%	172,150	2.63%	133,970	1.83%	1,017	0.01%
ICEA LION Life	526,507	11.52%	687,686	12.26%	558,518	8.53%	568,487	7.78%	705,760	7.04%
Jubilee	600,634	13.14%	604,998	10.79%	455,955	6.97%	803,644	11.00%	925,624	9.23%
Kenindia	52,563	1.15%	56,239	1.00%	68,429	1.05%	96,583	1.32%	57,669	0.57%
Kenyan Alliance	34,022	0.74%	34,683	0.62%	36,933	0.56%	49,686	0.68%	78,358	0.78%
Madison	74,575	1.63%	80,634	1.44%	83,577	1.28%	88,812	1.22%	92,570	0.92%
Mercantile	2,990	0.07%	8,112	0.14%	6,680	0.10%	2,910	0.04%	1,902	0.02%
Metropolitan Life	42,183	0.92%	52,314	0.93%	42,372	0.65%	35,943	0.49%	96,752	0.96%
Monarch	32,008	0.70%	38,292	0.68%	28,512	0.44%	13,077	0.18%	15,513	0.15%
Old Mutual	69,141	1.51%	78,116	1.39%	177,776	2.72%	160,945	2.20%	169,928	1.69%
Pan Africa Life	1,007,587	22.05%	1,512,980	26.98%	2,133,286	32.59%	1,619,669	22.18%	3,144,778	31.35%
Pioneer	8,075	0.18%	40,569	0.72%	100,925	1.54%	133,985	1.83%	414,210	4.13%
Shield	29,582	0.65%		0.00%	10,937	0.17%	3,609	0.05%	1,694	0.02%
UAP Life	164,653	3.60%	168,581	3.01%	251,935	3.85%	320,977	4.40%	476,691	4.75%
Total	4,569,458	100.00%	5,607,233	100.00%	6,545,259	100.00%	7,302,550	100.00%	10,030,576	100.00%

Figures in Kshs'000

The gross written premium for Group Life insurance was Kshs. 10.03 billion. Five (5) companies have a market share of over 5% and account for 79.6% of the business. Pan Africa Life is the market leader with a market share of 31.4% followed by CIC Life with a market share of 21.0%.

Table 29: Deposit Administration/Pensions Contributions and Market Share per Company (2008 – 2012)

Company	Pensions Contributions 2008	Market Share 2008	Pensions Contributions 2009	Market Share 2009	Pensions Contributions 2010	Market Share 2010	Pensions Contributions 2011	Market Share 2011	Pensions Contributions 2012	Market Share 2012
Apollo	106,828	1.61%	114,013	1.40%	146,196	1.62%	181,053	1.69%	246,708	1.92%
Britam	595,390	8.99%	901,688	11.04%	854,542	9.45%	977,139	9.13%	1,412,167	11.01%
CFC Life	998,574	15.08%	1,359,372	16.64%	1,282,510	14.18%	1,576,505	14.74%	1,566,223	12.21%
Heritage	233,243	3.52%	339,734	4.16%	292,302	3.23%	256,331	2.40%	223,791	1.75%
ICEA LION Life	1,934,684	29.21%	2,087,325	25.56%	2,240,642	24.77%	2,514,521	23.51%	3,071,078	23.95%
Jubilee	1,286,695	19.43%	1,653,424	20.24%	2,130,361	23.55%	2,753,399	25.74%	3,410,010	26.59%
Kenindia	791,634	11.95%	906,967	11.11%	1,040,999	11.51%	1,329,351	12.43%	1,587,566	12.38%
Kenyan Alliance	35,405	0.53%	40,061	0.49%	50,869	0.56%	68,963	0.64%	77,548	0.60%
Madison	269,068	4.06%	266,245	3.26%	346,619	3.83%	322,120	3.01%	353,000	2.75%
Mercantile	24,248	0.37%	55,607	0.68%	60,318	0.67%	83,898	0.78%	101,612	0.79%
Monarch	3,609	0.05%	7,328	0.09%	13,281	0.15%	6,927	0.06%	6,950	0.05%
Pan Africa Life	78,581	1.19%	105,785	1.30%	199,694	2.21%	207,132	1.94%	335,753	2.62%
Pioneer	2,525	0.04%	3,400	0.04%	4,188	0.05%	5,161	0.05%	6,097	0.05%
UAP Life	252,842	3.82%	326,205	3.99%	383,804	4.24%	411,921	3.85%	423,662	3.30%
Total	6,623,278	100.00%	8,167,155	100.00%	9,046,326	100.00%	10,697,438	100.00%	12,822,164	100.00%

Figures in Kshs'000

The Total contributions for Pensions were Kshs. 12.82 billion. Five (5) companies have a market share of over 5% and account for 86.1% of the business. Jubilee Insurance is the market leader with a market share of 26.59% followed by ICEA LION Life with a market share of 23.95%.

Table 30: Performance of Deposit Administration/Pension Contributions

Company	Pensions Contributions 2012	Market Share 2012	Pensions Contributions 2011	Market Share 2011	Interest Rate 2012	Interest Rate 2011	Surrenders and Annuities Paid 2012	Surrenders and Annuities Paid 2011	Interest Payable to Policyholders 2012	Interest Payable to Policyholders 2011	Fund as at end of the year 31/12/2012	Fund Market Share (%)	Fund as at end of the year 31/12/2011	Fund Market Share (%)
Apollo	246,708	1.92%	181,053	1.69%	12.50%	7.00%	97,971	84,871	120,921	54,956	1,171,254	1.71%	881,596	1.59%
Britam	1,412,167	11.01%	977,139	9.13%	16.00%	10.80%	463,546	424,760	799,389	217,706	5,787,072	8.47%	4,039,062	7.26%
CFC Life	1,566,223	12.21%	1,576,505	14.74%	10.00%	3.00%	1,593,361	1,345,265	752,054	257,412	10,104,276	14.78%	7,589,211	13.65%
Corporate Insurance	-	0.00%	-	0.00%	17.00%	0.00%	-	-	776	92	5,394	0.01%	4,618	0.01%
Heritage	223,791	1.75%	256,331	2.40%	10.00%	6.00%	164,482	304,816	175,059	94,416	0	0.00%	1,648,645	2.96%
ICEA LION Life	3,071,078	23.95%	2,514,521	23.51%	12.00%	7.50%	2,074,232	2,890,415	1,989,794	1,139,700	18,997,389	27.80%	16,102,534	28.95%
Jubilee	3,410,010	26.59%	2,753,399	25.74%	12.75%	6.50%	1,515,288	1,265,484	1,641,027	1,448,955	15,523,545	22.71%	12,192,203	21.92%
Kenindia	1,587,566	12.38%	1,329,351	12.43%	13.00%	12.00%	689,078	594,518	1,386,330	815,638	10,342,199	15.13%	8,099,122	14.56%
Kenyan Alliance	77,548	0.60%	68,963	0.64%	14.00%	12.00%	21,408	39,690	83,717	31,285	475,319	0.70%	359,093	0.65%
Madison	353,000	2.75%	322,120	3.01%	10.50%	5.00%	212,920	180,314	168,732	81,080	2,125,550	3.11%	1,778,254	3.20%
Mercantile	101,612	0.79%	83,898	0.78%	10.00%	7.50%	27,504	38,167	52,391	18,452	487,395	0.71%	360,896	0.65%
Pan Africa Life	335,753	2.62%	207,132	1.94%	12.50%	5.00%	147,683	113,936	212,839	4,781	1,071,632	1.57%	797,659	1.43%
The Monarch	6,950	0.05%	6,927	0.06%	12.00%	12.00%	7,012	8,474	4,311	2,721	40,207	0.06%	35,958	0.06%
Pioneer	6,097	0.05%	5,161	0.05%	13.00%	5.00%	1,476	1,997	2,531	781	25,276	0.04%	18,270	0.03%
UAP Life	423,662	3.30%	411,921	3.85%	13.00%	3.40%	183,097	198,422	248,384	63,281	2,172,710	3.18%	1,692,179	3.04%
Total	12,822,164	100%	10,697,438	100.00%	12.55%	6.85%	7,204,664	7,496,783	7,639,184	4,232,325	68,342,178	100.00%	55,616,937	100.00%

Figures in Kshs'000

Total fund for 2012 was Kshs. 68.34 billion compared to 55.62 billion in 2011 reflecting a growth of 22.9%. ICEA LION Life has the largest fund share of 29% followed by Jubilee at 22%.

Table 31: Contributions from Investment/Unit Linked Contracts and Market Share per Company (2009 – 2012)

Company	2009 Contributions	Market Share	Fund as at end of the year 2009	Market Share	2010 Contributions	Market Share	Fund as at end of the year 2010	Market Share	2011 Contributions	Market Share	Fund as at end of the year 2011	Market Share	2012 Contributions	Market Share	Fund as at end of the year 2012	Market Share
Apollo	-	0.0%	24,151	0.4%	11,834	0.5%	38,155	0.4%	10,862	0.4%	41,496	0.5%	4,700	0.2%	41,823	0.3%
Britam	1,045,135	49.5%	1,640,901	30.4%	1,250,836	49.3%	3,183,016	37.2%	1,249,229	50.9%	3,173,191	38.0%	1,281,423	49.8%	4,845,526	30.2%
Cannon	68,591	3.2%	250,170	4.6%	68,651	2.7%	264,144	3.1%	65,311	2.7%	284,449	3.4%	57,587	2.2%	295,437	1.8%
*ICEA LION Life	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	92,311	3.6%	4,390,858	27.3%
Kenyan Alliance	2,077	0.1%	10,342	0.2%	2,516	0.1%	13,013	0.2%	2,110	0.1%	8,076	0.1%	3,896	0.2%	10,934	0.1%
Madison	-	0.0%	-	0.0%	184,271	7.3%	504,900	5.9%	169,562	6.9%	497,556	6.0%	127,611	5.0%	394,956	2.5%
Metropolitan	47,025	2.2%	58,457	1.1%	42,803	1.7%	87,650	1.0%	39,927	1.6%	95,233	1.1%	34,141	1.3%	132,372	0.8%
Old Mutual	771,082	36.5%	2,986,543	55.3%	821,980	32.4%	3,759,407	44.0%	770,703	31.4%	3,541,262	42.5%	807,080	31.4%	5,116,639	31.8%
Pioneer	8,595	0.4%	50,097	0.9%	16,167	0.6%	70,647	0.8%	5,697	0.2%	56,853	0.7%	34,851	1.4%	15,187	0.1%
UAP Life	168,324	8.0%	378,905	7.0%	140,469	5.5%	629,285	7.4%	142,795	5.8%	643,261	7.7%	129,251	5.0%	822,417	5.1%
Total	2,110,829	100.0%	5,399,566	100.0%	2,539,527	100.0%	8,550,217	100.0%	2,456,196	100.0%	8,341,377	100.0%	2,572,852	100%	16,066,149	100.00%

Figures in Kshs'000

*2011 figures combined with Ordinary Life Insurance

The total contributions were Kshs. 2.57 billion. Britam leads the pack with a market share of 49.8% for contributions received in 2012 while Old Mutual is second with a market share of 31.4%. However, Old Mutual leads the pack with a market share of 31.8% in terms of the fund size.

Table 32: Life Insurance Premium, Contributions for Deposit Administration/Unit Linked Contracts and Market Share

Company	Ordinary Life		Group Life		Deposit Administration/Pensions		Unit Linked Contributions		Total	
	Gross Premium	Market Share	Gross Premium	Market Share	Pension Contributions	Market Share	Unit Linked Contributions	Market Share	Total Premiums+ Contributions	Market Share
Apollo	26,006	0.22%	191,025	1.90%	246,708	1.92%	4,700	0.18%	468,439	1.26%
Britam	2,827,779	24.26%	1,105,693	11.02%	1,412,167	11.01%	1,281,423	49.81%	6,627,062	17.87%
Cannon	93,040	0.80%	10,667	0.11%	-	0.00%	57,587	2.24%	161,295	0.43%
Capex	11,965	0.10%	317	0.00%	-	0.00%	-	-	12,282	0.03%
CFC Life	1,156,761	9.92%	356,694	3.56%	1,566,223	12.21%	-	-	3,079,678	8.30%
CIC Life	350,154	3.00%	2,102,617	20.96%	-	0.00%	-	-	2,452,771	6.61%
Corporate	182,009	1.56%	3,246	0.03%	-	0.00%	-	-	185,255	0.50%
First Assurance	0	0.00%	61,307	0.61%	-	0.00%	-	-	61,307	0.17%
Geminia	20,976	0.18%	16,544	0.16%	-	0.00%	-	-	37,520	0.10%
Heritage	0	0.00%	1,017	0.01%	223,791	1.75%	-	-	224,808	0.61%
ICEA LION Life	1,145,067	9.82%	705,760	7.04%	3,071,078	23.95%	-	-	4,921,905	13.27%
Jubilee	1,154,515	9.90%	925,624	9.23%	3,410,010	26.59%	-	-	5,490,149	14.81%
Kenindia	405,668	3.48%	57,669	0.57%	1,587,566	12.38%	-	-	2,050,903	5.53%
Kenyan Alliance	3,896	0.03%	78,358	0.78%	77,548	0.60%	3,896	0.15%	163,699	0.44%
Madison	606,496	5.20%	92,570	0.92%	353,000	2.75%	127,611	4.96%	1,179,677	3.18%
Mercantile	39,905	0.34%	1,902	0.02%	101,612	0.79%	-	-	143,419	0.39%
Metropolitan Life	53,183	0.46%	96,752	0.96%	-	0.00%	34,141	-	184,076	0.50%
Monarch	769	0.01%	15,513	0.15%	6,950	0.05%	-	-	23,232	0.06%
Old Mutual	379,402	3.25%	169,928	1.69%	-	0.00%	807,080	31.37%	1,356,410	3.66%
Pan Africa Life	2,295,876	19.70%	3,144,778	31.35%	335,753	2.62%	-	-	5,776,407	15.58%
Pioneer	482,102	4.14%	414,210	4.13%	6,097	0.05%	34,851	1.35%	937,261	2.53%
Shield	148,312	1.27%	1,694	0.02%	-	0.00%	-	-	150,006	0.40%
UAP Life	273,188	2.34%	476,691	4.75%	423,662	3.30%	129,251	5.02%	1,302,792	3.51%
Total	11,657,071	100.00%	10,030,576	100.00%	12,822,164	100.00%	2,572,852	100.00%	37,082,663	100.00%

Figures in Kshs. '000

Total Premium for Life Insurance business plus contribution for Deposit Administration and Unit Linked Contracts for the year was Kshs. 37.08 billion. Four (4) companies have a market share of over 10% and account for 61.6% of the business. Britam leads with a market share of 17.9%, followed by Pan Africa with a market share of 15.6%. Jubilee was third with a market share of 14.8% followed by ICEA Lion Life in fourth position with a market share of 13.3%.

7.7 Claims and Benefits

The life insurance claims and policyholder benefits amounted to Kshs. 21.37 billion compared to Kshs.16.39 billion in 2011 representing an increase of 30.4%.

Ordinary Life insurance claims increased from Kshs 4.46 billion in 2011 to Kshs 8.29 billion in 2012, an increase of 85.9%. This increase may be attributed to high reserves held for the unit linked life policies. Group Life claims increased from Kshs 4.43 billion in 2011 to Kshs 5.87 billion in 2012, an increase of 32.5%. This increase in claims may be attributed to poor underwriting practices, such as high medical free cover.

Benefits paid under Deposit Administration business decreased by 4.0% from Kshs 7.49 billion in 2011 to Kshs 7.20 billion in 2012. This decrease in benefit pay-outs may be attributed to the on-going member education by the industry on the dangers of withdrawing retirement funds with every change of job.

The distribution of net incurred claims for the last five years 2008 - 2012 is shown in table 29 below.

Table 33: Distribution of Claims in Life Insurance

Class of Business	2008		2009		2010		2011		2012	
	Gross Claims Paid (Kshs)	Share	Gross Claims Paid (Kshs)	Share	Gross Claims Paid (Kshs)	Share	Gross Claims Paid (Kshs)	Share	Gross Claims Paid (Kshs)	Share
Ordinary Life	3,740,162	35.29%	3,929,535	37.08%	6,102,196	38.39%	4,464,150	27.23%	8,291,928	38.80%
Group Life	2,718,695	25.65%	4,133,953	39.01%	3,779,642	23.78%	4,430,683	27.03%	5,873,736	27.49%
Pensions	4,139,192	39.06%	4,711,578	44.46%	6011536.4	37.82%	7,496,783	45.74%	7,204,664	33.71%
Total	10,598,049	100.00%	12,775,066	100.00%	15,893,375	100.00%	16,391,616	100.00%	21,370,327	100.00%

Figures in Kshs. '000

The claims and benefits paid over the last five years are illustrated in figure 12 below: -

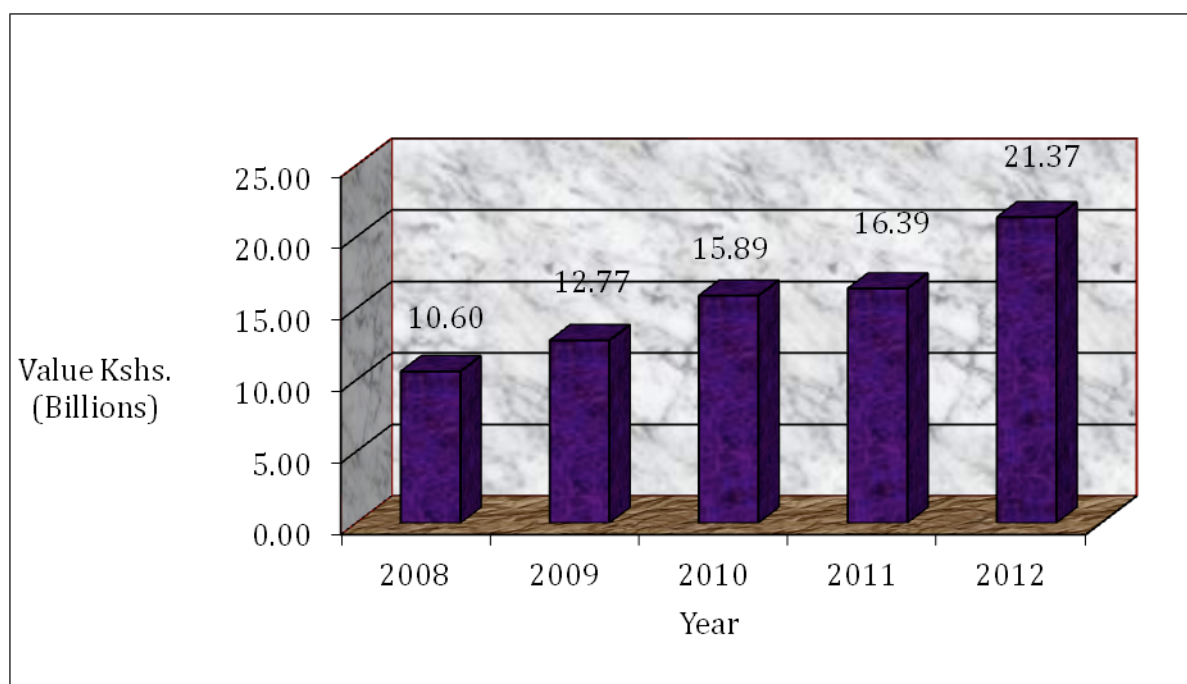


Figure 12: Life Insurance Business Claims and Benefits Paid (2008 – 2012)



The claims and benefits paid have been increasing steadily over the last 5 years from Ksh 10.6 billion in 2008 to 21.4 billion in 2012.

7.8 Total Expenses

The total operating and other expenses incurred in 2012 for Life insurance (Ordinary and Group Life) was Kshs. 6.24 billion compared to Kshs. 5.92 billion in 2011, an increase of 5.4%.

Commission expenses for Ordinary and Group Life amounted to Kshs. 3.29 billion in 2012 compared to Kshs 2.33 billion in 2011, an increase of 41.2%.

7.9 Reinsurance

The total reinsurance premium ceded by life insurers was Kshs. 2.39 billion compared to Kshs. 2.01 billion in 2011, an increase of 18.9%. The Prudential guidelines issued by IRA require all life insurance business to be reinsured with local reinsurance companies. The business is shared among reinsurance companies in the market as illustrated in the figure below:-

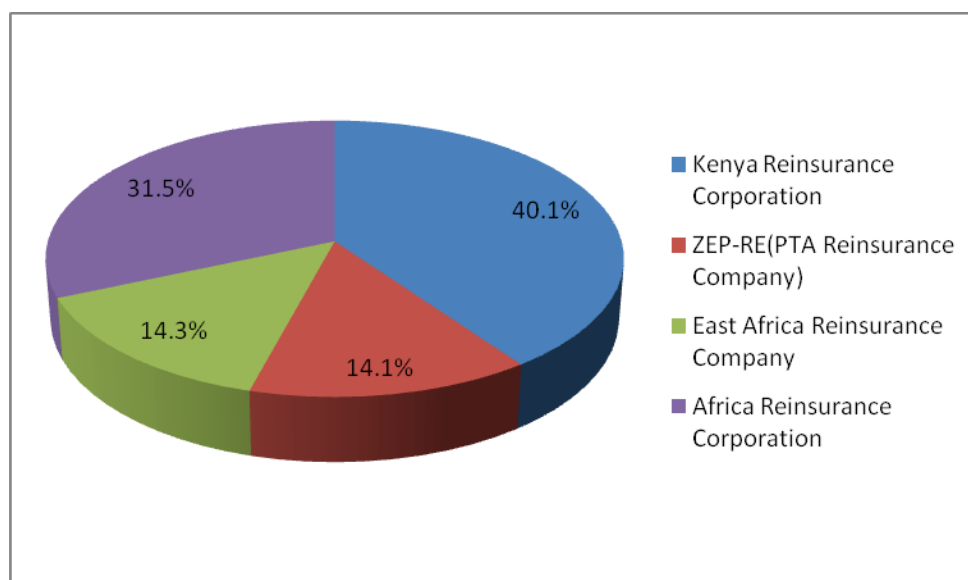


Figure 13: Distribution of Reinsurance business

Table 34: Combined Life Insurance Statistics

COMPANY	ORDINARY LIFE	GROUP LIFE	PENSIONS	INVEST- MENT/UNIT LINKED CONTRACTS	GROSS PREMIUMS	MARKET SHARE	GROSS PREMIUMS + PENSION CONTRIBUTIONS	MARKET SHARE	REINSUR- ANCE	NET PREMIUM	CLAIMS + BENEFITS	COMMISS- IONS	OPERATING & OTHER EXPENSES	TOTAL EXPENSES	INVEST- MENT INCOME+ OTHER INCOME
Apollo	26,006	191,025	246,708	4,700	217,031	1.0%	468,439	1.3%	116,922	100,109	139,680	15,962	57,687	73,649	84,582
Britam	2,827,779	1,105,693	1,412,167	1,281,423	3,933,472	18.1%	6,627,062	17.9%	301,204	3,632,268	1,288,611	998,846	1,081,630	2,080,476	2,530,742
Cannon	93,040	10,667	-	57,587	103,707	0.5%	161,295	0.4%	7,524	96,183	39,976	11,523	53,126	64,650	187,761
Capex	11,965	317	-	-	12,282	0.1%	12,282	0.0%	156	12,126	13,902	676	36,343	37,019	5,061
CFC Life	1,156,761	356,694	1,566,223	-	1,513,455	7.0%	3,079,678	8.3%	185,020	1,328,435	1,140,732	185,462	672,007	857,469	821,897
CIC Life	350,154	2,102,617	-	-	2,452,771	11.3%	2,452,771	6.6%	141,408	2,311,363	1,502,837	138,941	738,442	877,383	369,543
Corporate	182,009	3,246	-	-	185,255	0.9%	185,255	0.5%	2,078	183,177	130,892	53,405	26,851	80,256	78,597
First Assurance	-	61,307	-	-	61,307	0.3%	61,307	0.2%	55,404	5,903	44,476	4,254	5,622	9,876	38,547
Geminia	20,976	16,544	-	-	37,520	0.2%	37,520	0.1%	13,679	23,841	64,552	4,913	5,564	10,477	51,188
Heritage	-	1,017	223,791	-	1,017	0.0%	224,808	0.6%	28	989	3,657	99	25,854	25,953	67,931
ICEA LION Life	1,145,067	705,760	3,071,078	92,311	1,850,827	8.5%	5,014,216	13.5%	265,384	1,585,443	1,786,436	256,094	361,576	617,670	1,318,511
Jubilee	1,154,515	925,624	3,410,010	-	2,080,139	9.6%	5,490,149	14.8%	310,686	1,769,453	545,272	419,620	520,252	939,872	282,694
Kenindia	405,668	57,669	1,587,566	-	463,337	2.1%	2,050,903	5.5%	24,768	438,569	319,200	75,733	77,235	152,968	441,420
Kenyan Alliance	3,896	78,358	77,548	3,896	82,255	0.4%	163,699	0.4%	53,786	28,469	9,562	5,724	17,425	23,149	9,934
Madison	606,496	92,570	353,000	127,611	699,066	3.2%	1,179,677	3.2%	26,790	672,276	419,843	141,418	351,924	493,342	604,073
Mercantile	39,905	1,902	101,612	-	41,807	0.2%	143,419	0.4%	3,373	38,434	29,548	11,439	21,316	32,755	48,100
Metropolitan Life	53,183	96,752	-	34,141	149,935	0.7%	184,076	0.5%	43,510	106,425	35,328	9,445	95,651	105,096	68,451
Monarch	769	15,513	6,950	-	16,283	0.1%	23,232	0.1%	11,791	4,492	13,264	1,536	16,096	17,632	39,261
Old Mutual	379,402	169,928	-	807,080	549,330	2.5%	1,356,410	3.7%	141,446	407,884	509,643	76,833	847,016	923,849	1,419,269
Pan Africa Life	2,295,876	3,144,778	335,753	-	5,440,654	25.1%	5,776,407	15.6%	315,020	5,125,634	5,521,395	669,678	700,363	1,370,041	2,092,570
Pioneer	482,102	414,210	6,097	34,851	896,313	4.1%	937,261	2.5%	122,212	774,101	450,205	156,741	201,007	357,748	65,371
Shield	148,312	1,694	-	-	150,006	0.7%	150,006	0.4%	609	149,396	25,377	23,947	88,505	112,452	82,995
UAP Life	273,188	476,691	423,662	129,251	749,879	3.5%	1,302,792	3.5%	251,841	498,038	131,277	31,949	239,754	271,703	143,115
Total	11,657,071	10,030,576	12,822,164	2,572,852	21,687,647	100.0%	37,082,663	100.0%	2,394,639	19,293,008	14,165,664	3,294,239	6,241,247	9,535,485	10,851,613

Figures in Kshs. '000

APPENDIX 1: AKI MEMBER COMPANIES 2013

	NAME OF COMPANY	PHYSICAL ADDRESS	TELEPHONE NO.	FAX NO.	EMAIL ADDRESS
1.	AAR Insurance Kenya Limited	George Williamson House, 2nd Floor, 4th Ngong Avenue, Box 41766 - 00100 Nairobi	2715319/ 2895000	2715323	info@aar.co.ke
2.	Africa Merchant Assurance Ltd	2nd Floor, Trans-National Plaza, Mama Ngina Street, Box 64599-00200, Nairobi	22040000	340022	info@amaco.co.ke
3.	AIG Kenya Insurance Company Ltd	AIG House, Eden Square Complex, Chiromo Road, Box 49460-00100, Nairobi	3676000	3676001/2	aigkenya@aig.com
4.	APA Insurance Company Ltd	Apollo Center, Off Ring road, Box 30065-0100, Nairobi	2862000	2862200	info@apainsurance.org
5.	Apollo Life Insurance Ltd	Apollo Center, Off Ring road, Box 30065-0100, Nairobi	3641000	3641100	insurance@apollo.co.ke
6.	British American Insurance Company Ltd	Britak Centre, Mara/Ragati Road, 30375-00100, Nairobi	2833000	2717626	info@britam.co.ke
7.	Cannon Assurance Company Ltd	Gateway Business Park, Mombasa Road, Box 30216-00100, Nairobi	3966000	829075/828081	info@cannonassurance.com
8.	Capex Life Assurance Company Ltd	5th Avenue Office Suites, Ngong Road, Box 12043-00400, Nairobi	2712384/5	2712390	capex@swiftkenya.com
9.	CFC Life Assurance Ltd	CFC House, Mamlaka Road, Box 30390-00100, Nairobi	2866000	2718365	info@cfclife.co.ke
10.	CIC General Insurance Company Ltd	CIC Plaza, Mara Road, Box 59485- 00100, Nairobi	2823000	2823330	cic@cic.co.ke
11.	CIC Life Insurance Company Ltd	CIC Plaza, Mara Road, Box 59485- 00100, Nairobi	2823000	2823330	cic@cic.co.ke
12.	Corporate Insurance Company Ltd	Corporate Place, Kiambere Road, Box 43172-00100, Nairobi	2717617	2717775	cic@swiftkenya.com
13.	Directline Assurance Company Ltd	17th Floor, Hazina Towers, Monrovia Street, Box 40863-00100, Nairobi	2242405	2242746	info@directline.co.ke
14.	Fidelity Shield Insurance Company Ltd	Fisco Center, Muthangari Drive, Box 47435-00100, Nairobi	4225000	4445699	info@fidelityshield.com
15.	First Assurance Company Ltd	First Assurance House, Gitanga Rd, Box 30064-00100, Nairobi	2692250	2692290	hoinfo@firstassurance.co.ke

16.	GA Insurance Company Ltd	GA Insurance Hse, Ralph Bunche Rd, Box 42166-00100, Nairobi	2711633	2714542	insure@gakeya.com
17.	Gateway Insurance Company Ltd	Gateway House, Gateway Place, Milimani Road, 60656-00200, Nairobi	2713131	2713138	info@gateway-insurance.co.ke
18.	Geminia Insurance Company Ltd	Geminia Insurance Plaza, Kilimanjaro Avenue, Box 61316-00200, Nairobi	2782000	2782100	info@geminia.co.ke
19.	Heritage Insurance Company Ltd	CFC House, Mamlaka Road, Box 30390-00100, Nairobi	2783000	2727800	info@heritage.co.ke
20.	ICEA LION General Insurance Co Ltd	ICEA Building, Kenyatta Avenue, Box 46143-00100, Nairobi	2750000	2223803	info@icealion.com
21.	ICEA LION Life Assurance Co Ltd	ICEA Building, Kenyatta Avenue, Box 46143-00100, Nairobi	2750000	2223803	info@icealion.com
22.	Intra Africa Assurance Company Ltd	Williamson House, 4th Ngong Avenue, Box 43241-00100, Nairobi	2712610	2723288	intra@swiftkenya.com
23.	Invesco Assurance Company Ltd	Bishop Mangua Centre, Box 52964-00200, Nairobi	2605220	248514	info@invescoassurance.co.ke
24.	Jubilee Insurance Company Ltd	Jubilee Insurance Hse, Mama Ngina Street, Box 30376-00100, Nairobi	3281000	3281150	jic@jubileekenya.com
25.	Kenindia Assurance Company Ltd	Kenindia House, Loita Street, Box 44372-00100, Nairobi	2214439	2218380	kenindia@kenindia.com
26.	Kenya Orient Insurance Company Ltd	Capital Hill Towers, Cathedral Road, Box 34530-00100, Nairobi	2728603/4	2728605	info@kenyaorient.co.ke
27.	Kenyan Alliance Insurance Company Ltd	Chester House, Koinange Street, Box 34530-00100, Nairobi	2216450	2217340	kai@kenyanalliance.com
28.	Madison Insurance Company Ltd	Madison Insurance House, Upper Hill Rd, Box 47382-00100, Nairobi	2864000	2864622/444	madison@madison.co.ke
29.	Mayfair Insurance Company Ltd	Mayfair Centre, Ralph Bunche Road, Box 45161-00100, Nairobi	2999000	2999111	info@mayfair.co.ke
30.	Mercantile Insurance Company Ltd	Ecobank Towers, Muindi Mbingu Street, Box 20680-00200, Nairobi	2243682/1	2215528	mercantile@mercantile.co.ke
31.	Metropolitan Life Assurance Company Ltd	International Life House, Mama Ngina St., Box 46780-00100, Nairobi	2243126	2243179	info@metropolitan.co.ke
32.	Monarch Insurance Company Ltd	Mornach House, 664 Olenguruone Avenue, Box 44003-00100, Nairobi	4292000	4292100	info@themonarchinsco.com
33.	Occidental Insurance Company Ltd	Corner Plaza, 2nd Floor, Parklands Road, Box 82788-00100, Nairobi	8024149	3750193	enquiries@occidental.co.ke

34.	Old Mutual Life Assurance Company Ltd	Old Mutual Building, Cnr of Mara/ Hospital Rd, Box 30059-00100, Nairobi	2829000	2722415	omken@oldmutualkenya.com
35.	Pacis Insurance Company Ltd	Centenary Hse, 2nd Floor, Off Ring Rd, Westlands, Box 1870-00100, Nairobi	4452560	4452561	info@paciskenya.com
36.	Pan Africa Life Assurance Company Ltd	Pan Africa House, Kenyatta Avenue, Box 44041-00100, Nairobi	2781000	2243297	insurance@pan-africa.com
37.	Phoenix of E. A. Assurance Company Ltd	Ambank House, 17th Floor, University Way, Box 30129-00100 Nairobi	2229302	2211848	general@phoenix.co.ke
38.	Pioneer Life Assurance Company Ltd	Pioneer House, Moi Avenue, Box 30129-00100, Nairobi	2220814/5	2224985	info@pioneerassurance.co.ke
39.	REAL Insurance Company Ltd	Royal Ngao House, Hospital Road, Box 40001-00100, Nairobi	4904000	2717888/3831	genaral@realinsurance.co.ke
40.	Resolution Insurance Company	Roshanmaer Place, Lenana Road, Box 4469 - 00100, Nairobi	2894000 / 3874774	2894210	info@resolution.co.ke
41.	Shield Assurance Company Ltd	5th Avenue Office Suites, Ngong Road, Box 25093-00100, Nairobi	2712591	2712597	info@shieldassurance.co.ke
42.	Takaful Insurance of Africa Ltd	CIC Plaza, Mara Road, Box 1181 - 00100, Nairobi	2725134/5	2720653	info@takafulafrica.com
43.	Tausi Assurance Company Ltd	Tausi Court, Tausi Road, Off Muthithi Rd, Box 28889-00100, Nairobi	3746602	3746618	clients@tausiasurance.com
44.	Trident Insurance Company Ltd	Capital Hill Towers, Cathedral Road, Box 13501-00100, Nairobi	2721710	2726234	info@trident.co.ke
45.	UAP Insurance Company Ltd	Bishops Garden Towers, Bishops Road, Box 43013-00100, Nairobi	2850000	2719030	uapinsurance@uap-group.com
46.	UAP Life Assurance Company Ltd	Bishops Garden Towers, Bishops Road, Box 43013-00100, Nairobi	2850300	2719030	uapinsurance@uap-group.com
47.	Xplico Insurance Company Ltd	Park Place 5th Floor, Limuru Road, Box 38106-00623, Nairobi	0736800888	4445550	info@explicoinsurance.co.ke

ASSOCIATE MEMBER					
1.	Africa Trade Insurance Agency (ATIA)	Kenya Re Towers, Box 62328-00200, Nairobi	2726999	2719701	underwriting@atia-aca.org
OTHER IMPORTANT CONTACTS					
1.	Insurance Regulatory Authority (IRA)	Zep-Re Place, Box 43505-00100, Nairobi	4996000	2710126	commins@skyweb.co.ke
2.	College of Insurance (COI)	College of Insurance, Off Mombasa Rd, South C, Box 56928-00200, Nairobi	6005601	6005605	info@coi.ac.ke
3.	Insurance Institute of Kenya (IIK)	College of Insurance, Off Mombasa Rd, South C, Box 1200-00200, Nairobi	2106898	6005605	iik@wananchi.com
4.	Association of Insurance Brokers of Kenya (AIBK)	College of Insurance, Off Mombasa Rd, South C, Box 606220-00200, Nairobi	6006129	6006220	aibk@wananchi.com
5.	Association of Kenya Reinsurers (AKR)	Africa Re Towers, Box 10620-00100, Nairobi	4973000	2738444	mail@zep-re.com



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