



Saudi Arabian Monetary Agency
The General Department of Insurance Control

The Saudi Insurance Market Report
2015



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Introduction



Introduction

- In 2015, Gross Written Premiums (GWP) in the Saudi insurance market reached SR 36.49 Billion, up from SR 30.48 Billion in 2014. This represents an increase of 19.7%, compared to a 20.8 % growth rate in 2014:
 - Health insurance GWP, which represents 52% of the insurance market, increased by 20.3% to SR 18.9 Billion in 2015 compared to SR 15.7 Billion in 2014
 - General insurance GWP, which represents 45% of the insurance market, increased by 19% to SR 16.5 Billion in 2015 compared to SR 13.9 Billion in 2014. Motor insurance represented 65% of General insurance GWP, in which it has increased from SR 8 Billion in 2014 up to SR 10.8 Billion in 2015
 - Protection & savings (P&S) insurance GWP, which represents 3% of the insurance market, increased by 14.5% to SR 1.04 Billion in 2015 compared to SR 904 Million in 2014
 - Total number of insurance policies written increased to 8,123,647 policy in 2015 compared to 6,475,496 policy in 2014



Insurance Market Performance - Overall

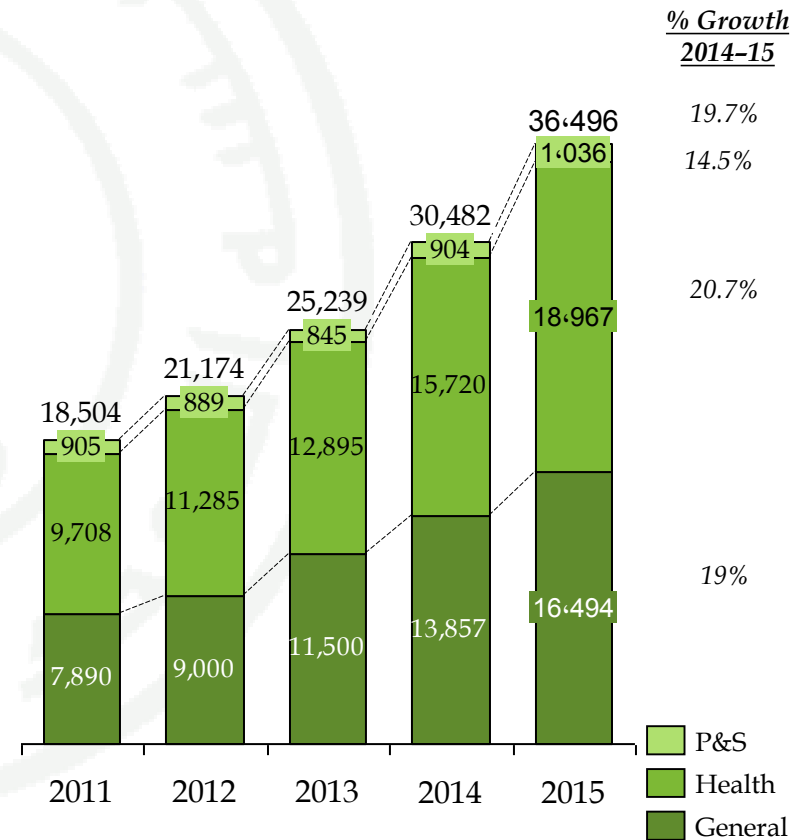


Gross Written Premiums

- The overall insurance Gross Written Premiums increased by SR 6.01 Billion to reach SR 36.49 Billion⁽¹⁾ in 2015, compared to SR 30.48 Billion in 2014, which represents a growth rate of 19.7%.
- Health insurance sustained the biggest line of business in 2015. Its contribution to total GWP in 2015 remained the same as 2014, which represents 52%, likewise General insurance's contribution to total business volume in 2015 continued to be 45% as 2014.
- Health insurance accounted for SR 3.25 Billion of the SR 6.01 Billion increase, which represents a 54% contribution to the market's GWP increase.
- Protection and Savings insurance remained the smallest line of business accounting for 3% of total GWP, with an increase in its written premiums by 14.5% in 2015.

In SR Million	2011		2012		2013		2014		2015	
	SR (M)	% Total	SR (M)	% Total	SR (M)	% Total	SR (M)	% Total	SR (M)	% Total
Protection & Savings	905	%5	889	%4	845	%3	904	%3	1,036	%3
Health	9,708	%52	11,285	%53	12,895	%51	15,721	%52	18,967	%52
General	7,890	%43	9,000	%43	11,500	%46	13,857	%45	16,494	%45
Total	18,504	%100	21,174	%100	25,239	%100	30,482	%100	36,496	%100

Gross Written Premiums
(2011 to 2015, SR Million)

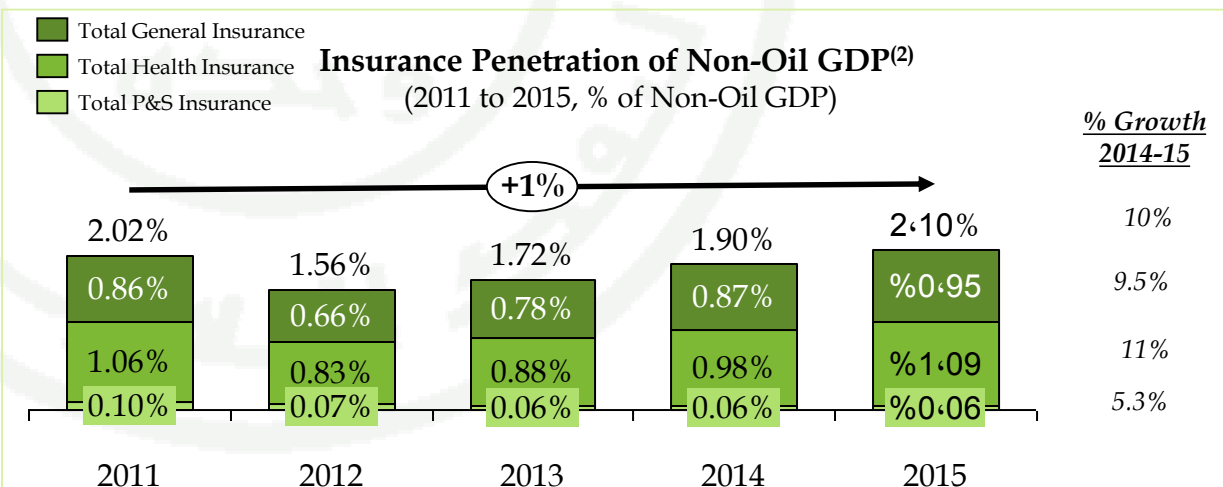
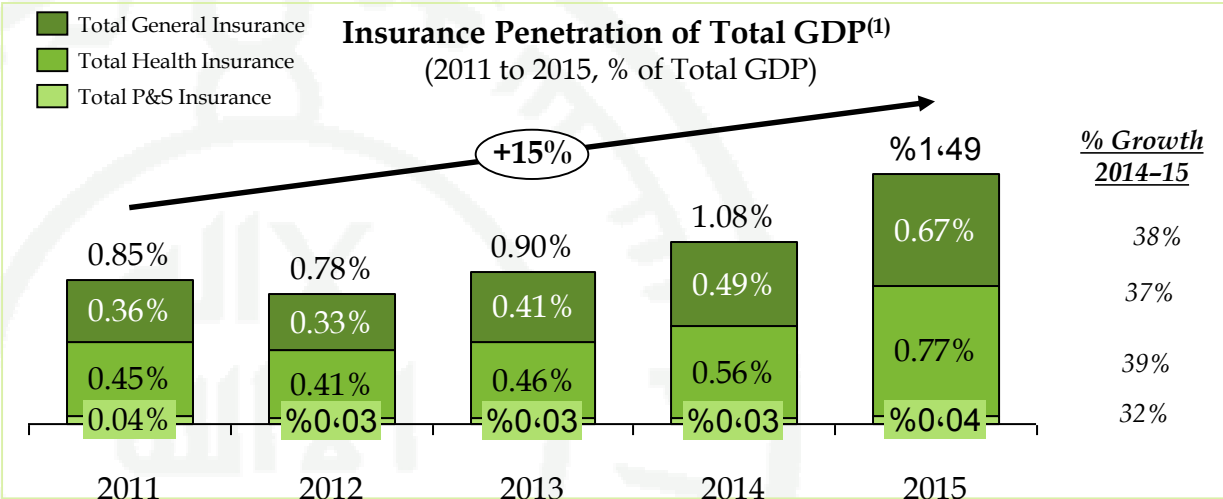


(1) The GWP is the total of accounted premiums. There may be double counting of reinsurance premiums accepted from other Saudi Arabian insurers or reinsurers



Insurance Penetration

- Insurance penetration of total Gross Domestic Product (GDP) is defined as Gross Written Premiums divided by the total GDP
- Over the past five years, insurance penetration has increased at a compounded annual growth rate (CAGR) of 15%
- In 2015, insurance penetration increased to 1.49% up from 1.08% in 2014
- Insurance penetration of non-oil GDP is defined as Gross Written Premiums divided by non-oil GDP
- In 2015, Insurance penetration of non-oil GDP increased to 2.1%, up from 1.9% in 2014
- Insurance penetration of non-oil GDP has increased at an average annual rate of 1% between 2011 and 2015



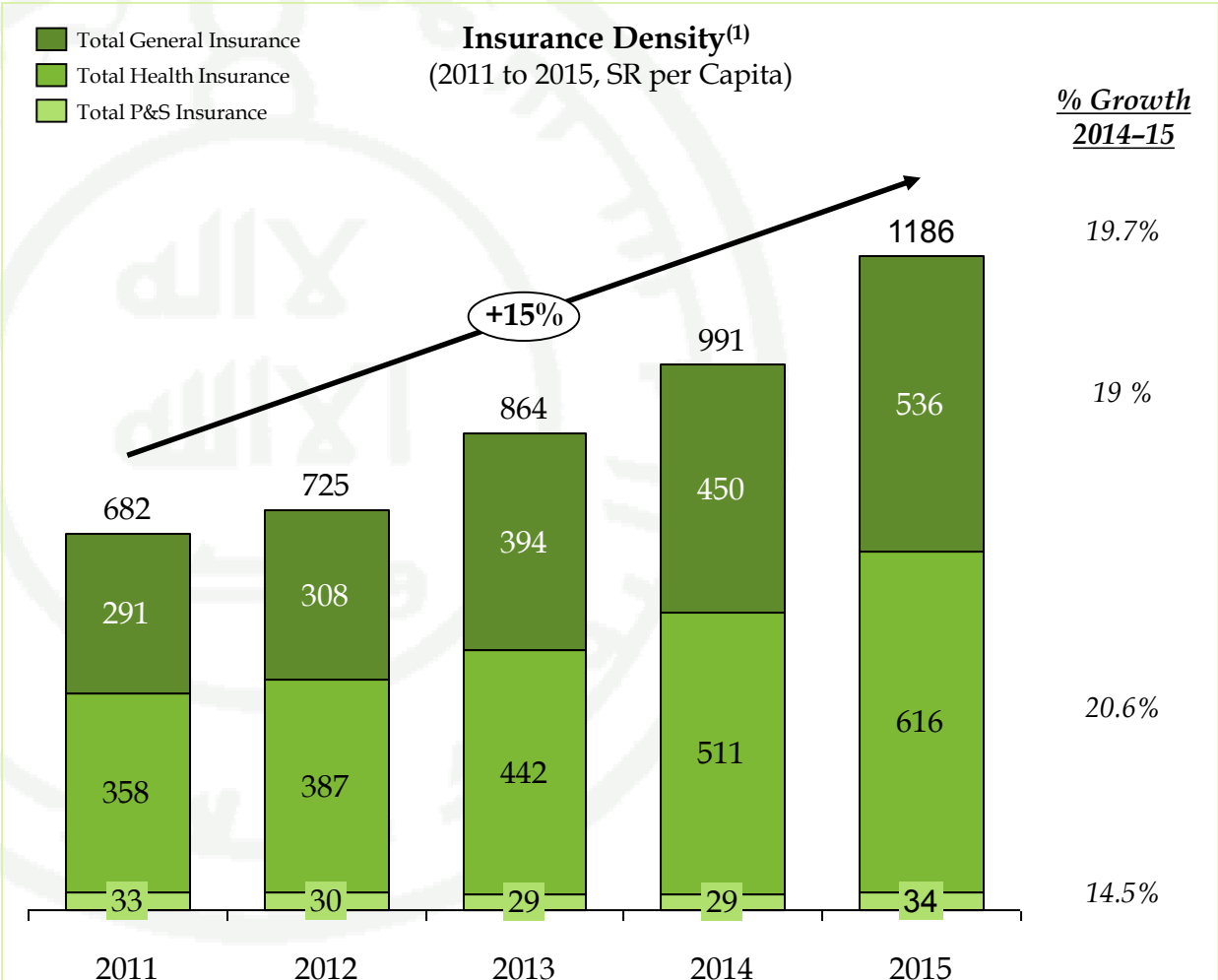
(1) Total GDP of SR 2,163 SR 2,727 SR 2,795 SR 2,821 and SR 2,449 Billion in 2011, 2012, 2013, 2014 and 2015, respectively, General Authority for Statistics

(2) Non-oil GDP SR 919 SR 1,353 SR 1,471, SR 1,601 and SR 1,740 Billion in 2011, 2012, 2013, 2014 and 2015 respectively, General Authority for Statistics



Insurance Density

- Insurance density is defined as Gross Written Premiums per Capita. Insurance density increased from SR 991 per Capita in 2014 to SR 1186 per capita in 2015, which represents a 19.7% increase
- Expenditures per Capita on insurance products have increased by an average annual rate of 15% between 2011 and 2015
- The density of Protection and Savings insurance remained low in absolute terms, and relative to General and Health insurance, at SR 34 per Capita



(1) Saudi population of 27.1, 29.19, 29.19, 30.77 and 30.77 Million in 2011, 2012, 2013, 2014 and 2015, respectively, General Authority for Statistics



Gross Written Premiums by Line of Business

- Motor and Health insurance accounted for around 81.6% of total GWP in 2015
- Health insurance, which includes both compulsory and non-compulsory lines of business, remained the largest line of business in 2015, accounting for 52% of total GWP
- Motor compulsory and non-compulsory lines of business stood in second place with a 29.6% share of total GWP
- Motor underwritten premiums recorded the highest growth rate in 2015 at 34.5%
- Health and Energy insurance underwritten premiums increased by 20.7% and 27.1% respectively in 2015

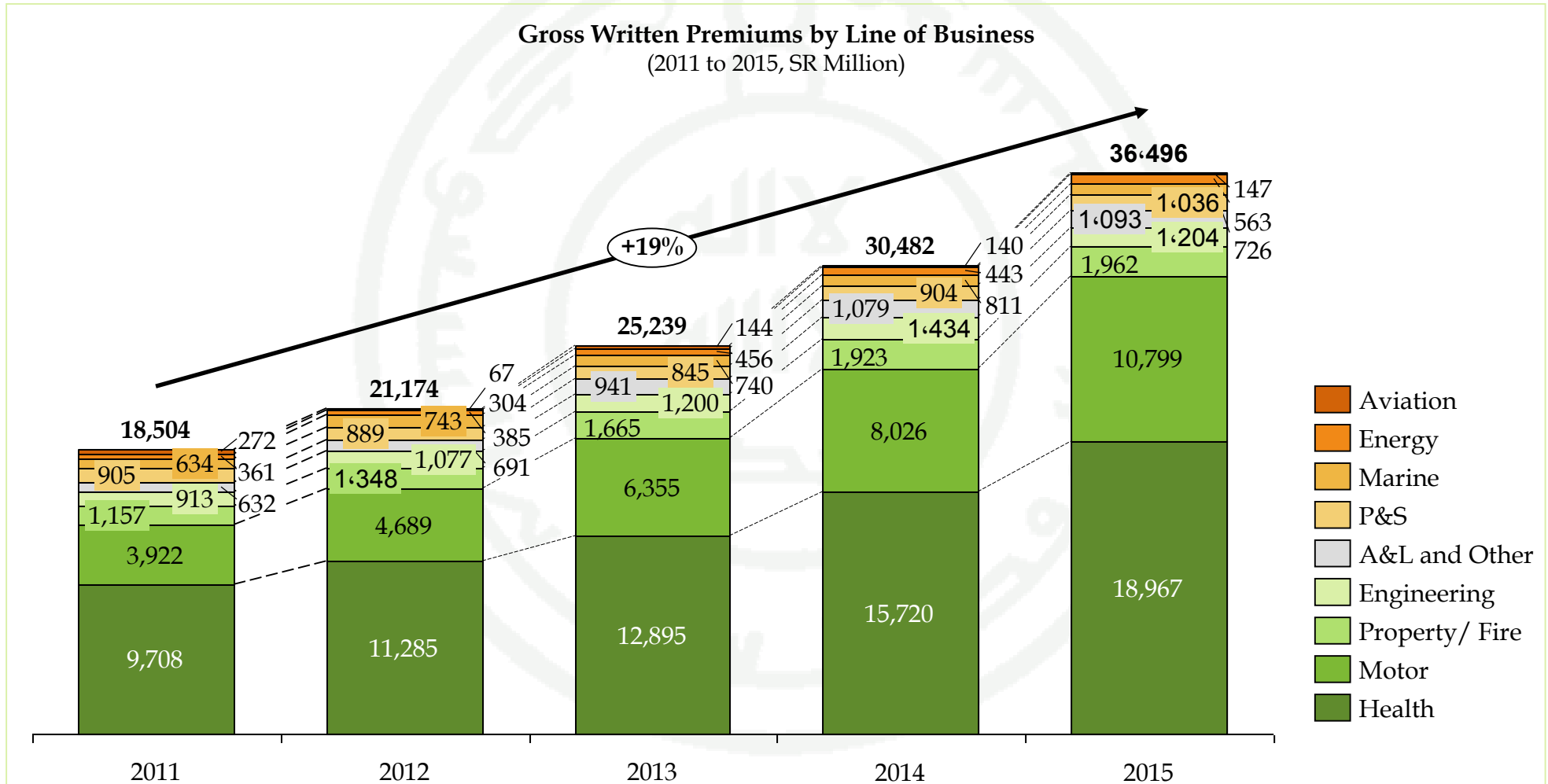
In SR Million	2011		2012		2013		2014		2015		Growth
	SR M	% Total	SR M	% Total	SR M	% Total	SR M	% Total	SR M	% Total	%
Aviation	272	%1.5	67	%0.3	144	%0.6	140	%0.5	147	%0.4	%4.5
Energy	361	%2.0	385	%1.8	456	%1.8	443	%1.5	563	%1.5	%27.1
Marine	634	%3.4	743	%3.5	740	%2.9	811	%2.7	726	%2.0	%10.5-
P&S	905	%4.9	889	%4.2	845	%3.3	904	%3.0	1,036	%2.8	%14.5
A&L and Other	632	%3.4	691	%3.3	941	%3.7	1,079	%3.5	1,093	%3.0	%1.3
Engineering	913	%4.9	1,077	%5.1	1,200	%4.8	1,434	%4.7	1,204	%3.3	%16.0-
Property/ Fire	1,157	%6.3	1,348	%6.4	1,665	%6.6	1,923	%6.3	1,962	%5.4	%2.0
Motor	3,922	%21.2	4,689	%22.1	6,355	%25.2	8,026	%26.3	10,799	%29.6	%34.5
Health	9,708	%52.5	11,285	%53.3	12,895	%51.1	15,720	%51.6	18,967	%52.0	%20.7
Total	18,504	%100	21,174	%101	25,239	%100	30,482	%100	36,496	%100	%19.7

(1) A&L stands for Accidents and Liabilities insurance throughout the document



Gross Written Premiums by Line of Business (continued)

Gross Written Premiums by Line of Business
(2011 to 2015, SR Million)





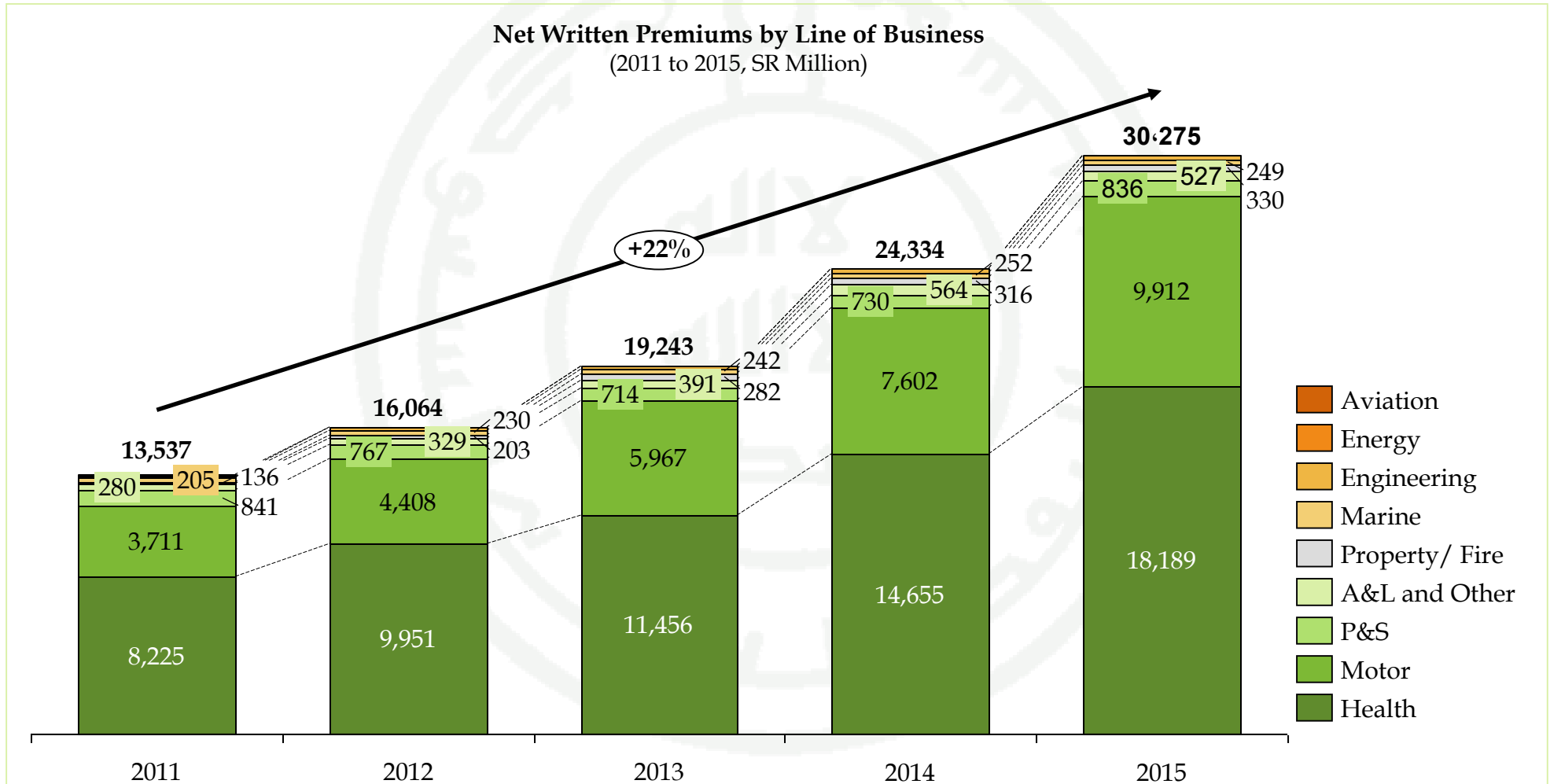
Net Written Premiums by Line of Business

- Net Written Premiums (NWP) is defined as the premiums retained by the insurance company, after the subtraction of the premiums ceded to local or international reinsurers from GWP by line of business
- Total premiums ceded to local and international reinsurers reached SR 1.9 Billion and SR 4.3 Billion, respectively in 2015
- Total NWP increased from SR 24.33 Billion in 2014 to SR 30.27 Billion in 2015, a 24.4% increase
- Around 92.8% of total NWP in 2015 was generated by Motor and Health insurance
- Health insurance remained the largest line of business accounting for 60% of total NWP
- Motor insurance's share of total NWP remained in second place, and Motor insurance accounted for 32.7% of NWP in 2015

In SR Million	2011		2012		2013		2014		2015		Growth
	SR M	% Total	SR M	% Total	SR M	% Total	SR M	% Total	SR M	% Total	%
Aviation	1	%0.01	2	%0.01	4	%0.02	4	%0.01	3	%0.01	%16.3-
Energy	7	%0.05	7	%0.05	8	%0.04	9	%0.04	11	%0.04	%28.3
Engineering	131	%0.97	166	%1.03	180	%0.94	205	%0.84	217	%0.72	%5.7
Marine	205	%1.51	230	%1.43	242	%1.26	252	%1.03	249	%0.82	%1.0-
Property/ Fire	136	%1.00	203	%1.26	282	%1.46	316	%1.30	330	%1.09	%4.6
A&L and Other	280	%2.07	329	%2.05	391	%2.03	564	%2.32	527	%1.74	%6.5-
P&S	841	%6.21	767	%4.77	714	%3.71	730	%3.00	836	%2.76	%14.6
Motor	3,711	%27.41	4,408	%27.44	5,967	%31.01	7,602	%31.24	9,912	%32.74	%30.4
Health	8,225	%60.76	9,951	%61.95	11,456	%59.53	14,655	%60.22	18,189	%60.08	%24.1
Total	13,537	%100	16,064	%100	19,243	%100	24,334	%100	30,275	%100	%24.4



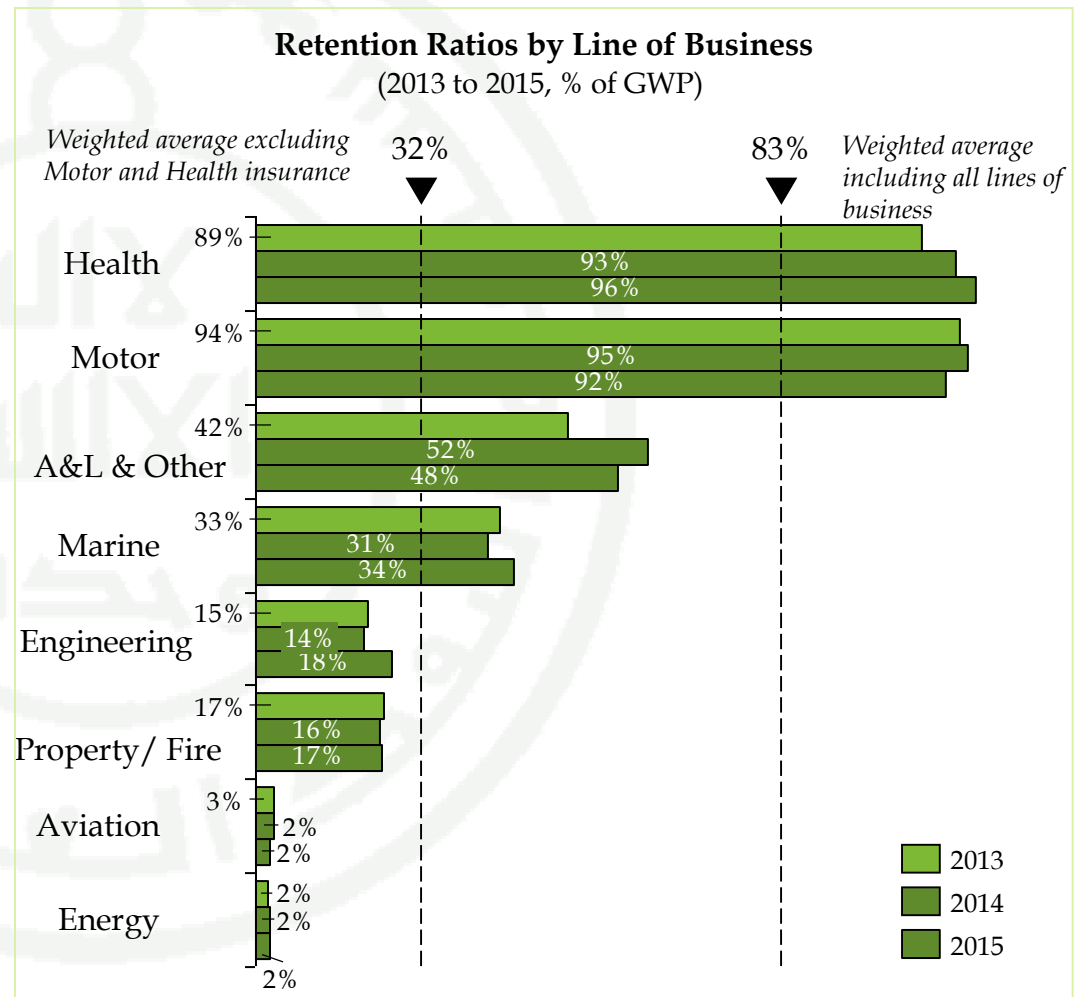
Net Written Premiums by Line of Business (continued)





Retention Ratio by Line of Business

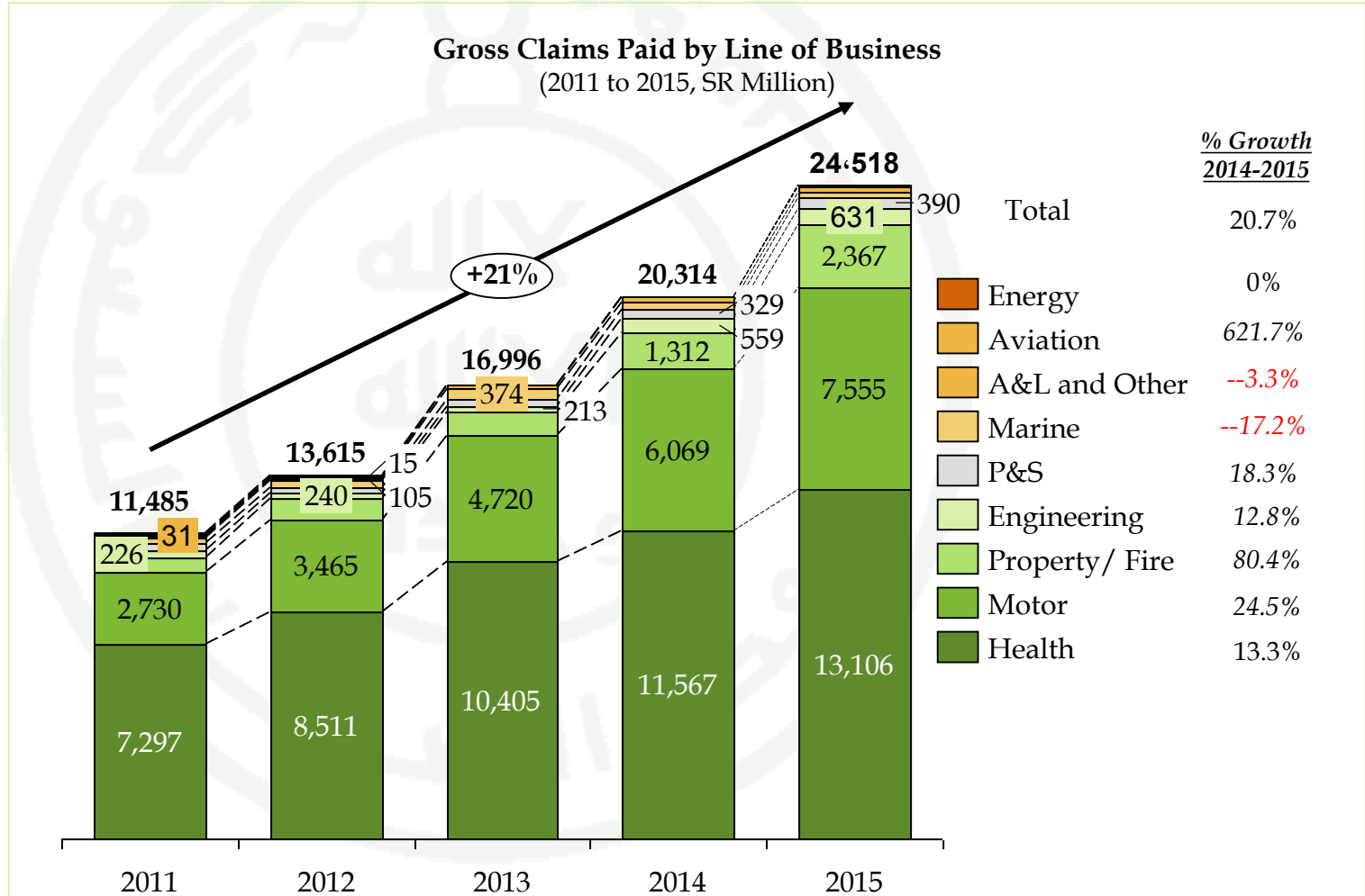
- The retention ratio measures the written premiums retained by the insurance company. It is calculated by dividing the NWP by the GWP
- The overall retention ratio of insurance companies in the Saudi market increased slightly to 83% in 2015, up from 79.8 % in 2014. This ratio is largely skewed due to the high retention ratio of Motor and Health insurance which collectively account for around 81.6% of total GWP. In 2015, the retention ratios for Motor and Health insurance were 92% and 96%, respectively
- The weighted average retention ratio of other insurance lines of business (i.e., excluding Motor and Health insurance) increased to 32% in 2015 compared to 23% in 2014
- Notes:
 - All licensed companies are required to adhere to a minimum retention ratio of 30% of its total insurance premiums (as per Article 40 of the Implementing Regulations)
 - Retention ratios are not shown for Protection & Savings insurance as the savings element of the contract must be retained in the Saudi Arabian company. Therefore retentions for Protection & Savings insurance are not directly comparable with other insurance lines of business





Gross Claims Paid by Line of Business

- Total gross claims paid increased by 20.7% from SR 20.3 Billion in 2014 to SR 24.5 Billion in 2015
- In 2015, Health and Motor gross claims paid grew by 13.3% and 24.5%, respectively compared to 2014 figures
- In 2015, Aviation insurance recorded the highest growth rate in gross claims paid, after increasing by 621.7% from SR 7 Million to SR 51 Million
- Table 7 in the appendix contains all the gross claims data by line of business from 2011 to 2015

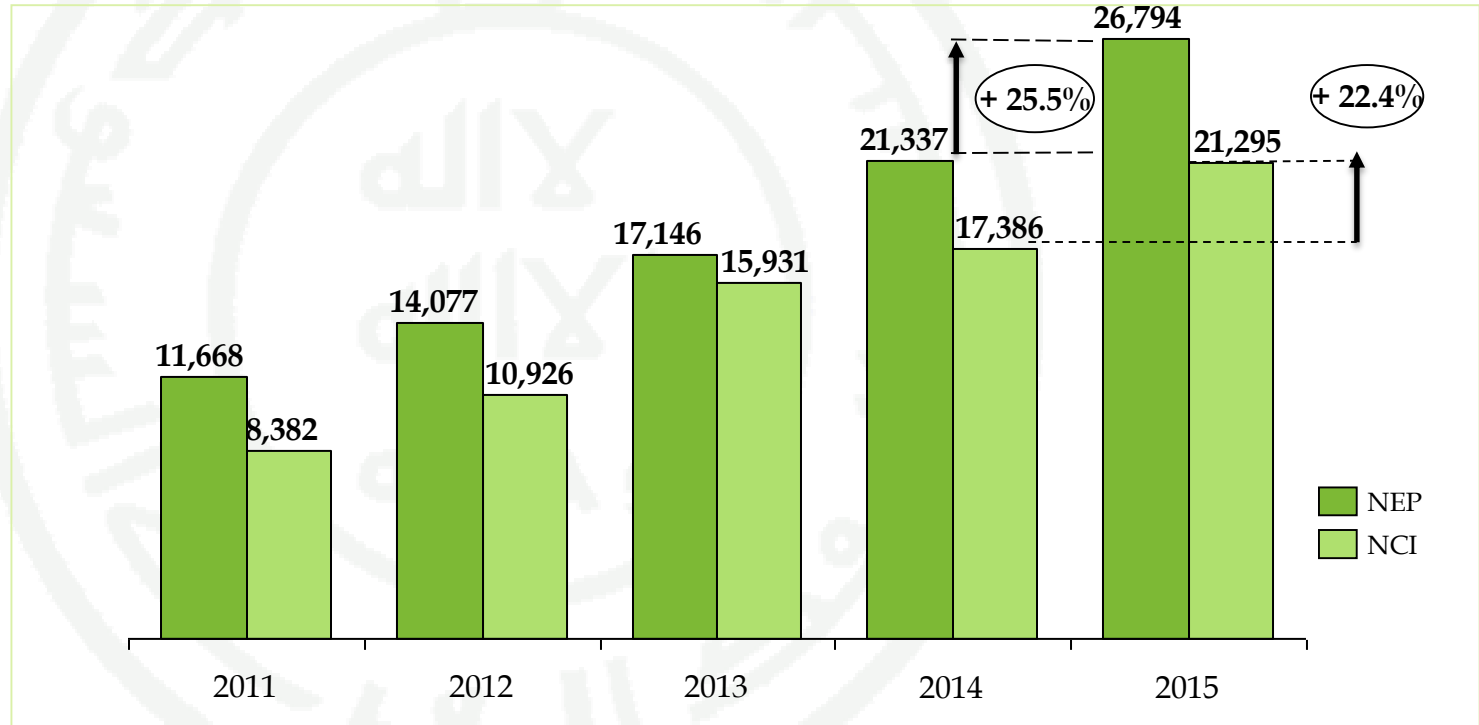




General and Health Net Earned Premiums vs. Net Claims Incurred

- Net Earned Premiums (NEP) is equal to NWP minus the change in net unearned premiums reserve
- The insurance market's General and Health NEP totaled SR 26.79 Billion in 2015, up from SR 21.34 Billion in 2014, which represents 25.5% increase
- General and Health Net Claims Incurred (NCI), i.e., the total of net claims paid plus the change in outstanding and IBNR claims reserve, increased by 22.4% in 2015 to reach SR 21.29 Billion
- For 2015 General and Health net claims ratio, i.e., the loss ratio, which is equal to NCI divided by NEP, decreased to reach 79.5% compared to 81.5% in 2014

Net Earned Premiums Vs. Net Claims Incurred
(2011 to 2015, SR Million)



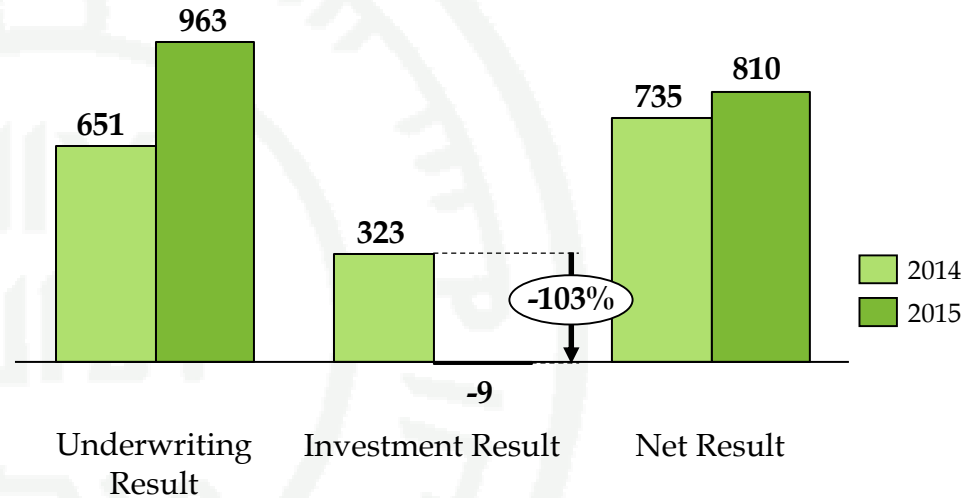
Year	Loss Ratio (% NEP)
2011	71.8%
2012	77.6%
2013	92.9%
2014	81.5%
2015	79.5%



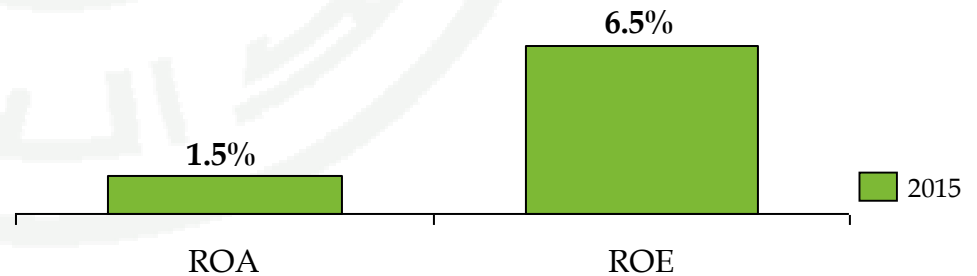
Market Profitability

- Insurance underwriting result is the outcome of subtracting all insurance related expenses from insurance revenues
- The net result is equal to the sum of revenues minus the sum of expenses
- Investment income is the total investment income minus total investment expense
- In 2015, the insurance underwriting result totaled SR 963 Million, compared to 651 Million in 2014
- Investment income decreased affectedly to SR -9 Million in 2015, compared to SR 323 Million in 2014
- The insurance market's net result totaled 810 Million in 2015, compared to SR 735 Million in 2014
- Return on Assets (ROA) is the ratio of net result to total assets. In 2015, insurance market's ROA was 1.5%
- Return on Equity (ROE) is the ratio of net result to total equity. In 2015, Insurance market's ROE was 6.5%

Insurance Market Profitability
(2014-2015, SR Million)



Insurance Market ROA/ ROE
(2015, % of Net Result to Assets/ Equity)





Balance Sheet - Policyholders' Assets

- At the end of 2015 insurance companies held SR 5.62 Billion in cash and cash equivalents in their policyholders' accounts compared to SR 6.26 Billion in 2014
- Investments accounted for the biggest share of policyholders' assets, with a value of SR 12.24 Billion in 2015 compared to SR 9.1 Billion in 2014
- Policyholders' (operational) assets amounted to SR 39.44 Billion in 2015 compared to SR 35.2 Billion in 2014

Policyholders' Assets (2015, SR Thousand)

Item Name	General and Health Insurance	Protection and Saving Insurance	Total Insurance
Cash and cash equivalents	5,458,353	166,439	5,624,792
Receivables, net	8,571,976	141,748	8,713,723
Reinsurance recoverable	8,655,539	336,398	8,991,937
Deferred policy acquisition cost	1,037,163	3,792	1,040,955
Prepaid expenses	984,940	1,453	986,393
Investments	9,368,753	2,872,173	12,240,926
<i>Deposits at financial institutions</i>	7,633,920	83,977	7,717,897
<i>Loans</i>	-	-	-
<i>Debt securities and fixed income</i>	1,323,376	-	1,323,376
<i>Shares (common, preferred)</i>	97,076	-	97,076
<i>Real estate</i>	9,861	-	9,861
<i>Investment in subsidiaries and affiliates</i>	-	37,105	37,105
<i>Other</i>	304,521	2,751,091	3,055,612
Tangible assets	480,566	8,006	488,572
Intangible assets	17,946	103	18,049
Other policyholders assets	1,348,788	(11,339)	1,337,449
Total policyholders assets	35,924,025	3,518,771	39,442,796

* Other investments consists mainly of investments in funds related to saving products



Balance Sheet - Shareholders' Assets

- At the end of 2015, insurance companies' shareholders held SR 2.34 Billion in cash and cash equivalents compared to SR 2.33 Billion in 2014
- Investments accounted for the biggest share of shareholders' assets, with a value of SR 10.86 Billion in 2015 compared to SR 8.31 Billion in 2014
- Shareholders' assets amounted to SR 14.69 Billion in 2015 compared to SR 12.11 Billion in 2014
- Insurance companies' total assets amounted to SR 54.12 Billion in 2015 compared to SR 47.3 Billion in 2014

Shareholders' Assets (2015, SR Thousand)

Item Name	General and Health Insurance	Protection and Saving Insurance	Total Insurance
Cash and cash equivalents			2,343,990
Receivables, net			8,989
Investments			10,859,315
<i>Deposits at financial institutions</i>			6,447,954
<i>Loans</i>			1,923
<i>Debt securities and fixed income</i>			2,222,241
<i>Shares (common, preferred)</i>			1,006,884
<i>Real estate</i>			25,000
<i>Investment in subsidiaries and affiliates</i>			126,073
<i>Other</i>			1,029,240
Accrued interest, rent, income			38,376
Tangible assets			150,988
Intangible assets			852,018
Distributions due from policyholders account			301,221
Other shareholders assets			130,329
Total shareholders assets			14,685,226
Total Assets			54,128,022



Balance Sheet - Policyholders' Liabilities and Equity

- At the end of 2015, insurance companies held SR 29.44 Billion in technical reserves, which consist of unearned premiums, outstanding claims, IBNR and adjustment expense reserves compared to SR 26.17 Billion in 2014
- Mathematical reserves amounted to SR 3.08 Billion in 2015 compared to SR 3 Billion in 2014
- Policyholders' liabilities and equity amounted to SR 39.44 Billion in 2015 compared to SR 35.2 Billion in 2014

Policyholders' Liabilities And Equity (2015, SR Thousand)

Item Name	General and Health Insurance	Protection and Saving Insurance	Total Insurance
Policyholders payables	741,252	106	741,358
Reinsurance balances payable	1,737,166	95,423	1,832,589
Technical reserves	29,219,145	220,902	29,440,047
Unearned premium	16,305,191	66,439	16,371,630
Outstanding claims, IBNR and adjustment expenses	12,913,953	154,464	13,068,417
Mathematical reserves	36,858	3,052,263	3,089,121
Other reserves	208,393	136	208,529
Unearned reinsurance commissions	380,308	4,710	385,018
Accrued expense and deferred income	2,352,518	64,654	2,417,171
Declared dividend payable	106,591	-	106,591
Distribution due to shareholders account	234,078	59,216	293,294
Other policyholders liabilities	547,428	19,767	567,195
Total policyholders liabilities	35,563,736	3,517,177	39,080,913
Accumulated surplus	345,688	16,195	361,883
Total policyholders liabilities & equity	35,909,423	3,533,372	39,442,796



Balance Sheet - Shareholders' Liabilities and Equity

- At the end of 2015, shareholders' liabilities increased to SR 2.26 Billion from SR 2.1 Billion in 2014 while shareholders' equity totaled SR 12.42 Billion in 2015 compared to SR 10.06 Billion in 2014
- Share capital constituted the biggest share of shareholders' equity with a value of SR 12.61 Billion in 2015 compared to SR 10.25 Billion in 2014
- Shareholders' liabilities and equity registered SR 14.69 Billion in 2015 compared to SR 21.11 Billion in 2014
- Insurance companies' total liabilities and equity amounted to SR 54.12 Billion in 2015 compared to SR 47.3 Billion in 2014

Shareholders' Liabilities And Equity (2015, SR Thousand)

Item Name	General and Health Insurance	Protection and Saving Insurance	Total Insurance
Shareholders payables			491,536
Zakat			533,665
Accrued expenses and deferred income			139,790
Other shareholders liabilities			1,095,454
Total shareholders liability			2,260,444
Share capital			12,616,667
Statutory reserves			1,487,186
Retained earnings			(1,608,330)
Other shareholders equity			(70,741)
Total shareholders equity			12,424,782
Total shareholders liabilities & equity			14,685,226
Total Liabilities and Equity			54,128,022



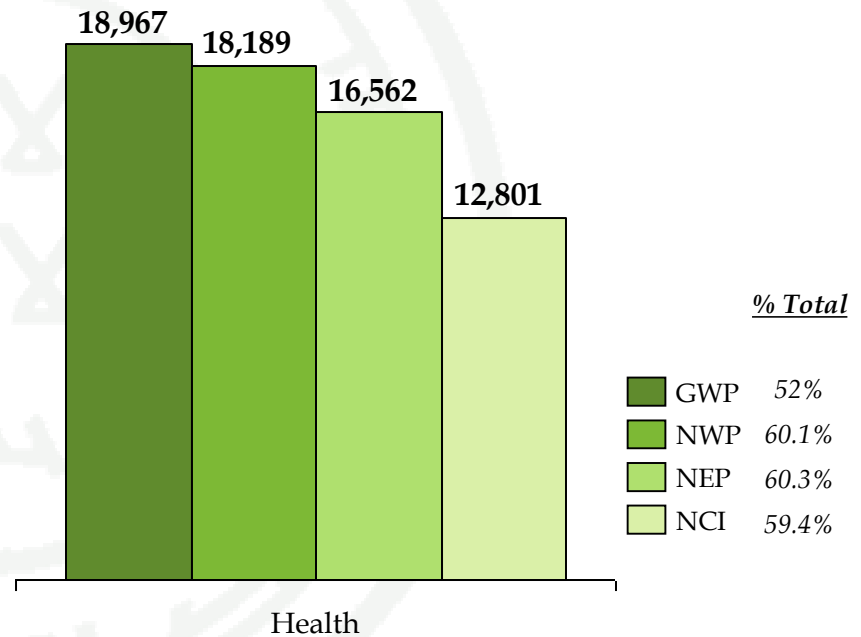
Insurance Market Performance - By Line of Business



Health Insurance

- Health insurance, which includes both compulsory and non-compulsory lines, accounted for 52% of the 2015 total market GWP with SR 18.9 Billion in underwritten premiums
- Health insurance accounted for 60% of the market's NWP as insurance companies retained SR 18.19 Billion of their Health insurance GWP, which was the highest of all business lines representing a 95.9% retention ratio
- Health insurance's NEP registered SR 16.56 Billion
- Health insurance's NCI amounted to SR 12.8 Billion, which translates into a 77% loss ratio for the year 2015

Health Insurance Performance
(2015, SR Million)



Retention Ratio

95.9%

Loss Ratio

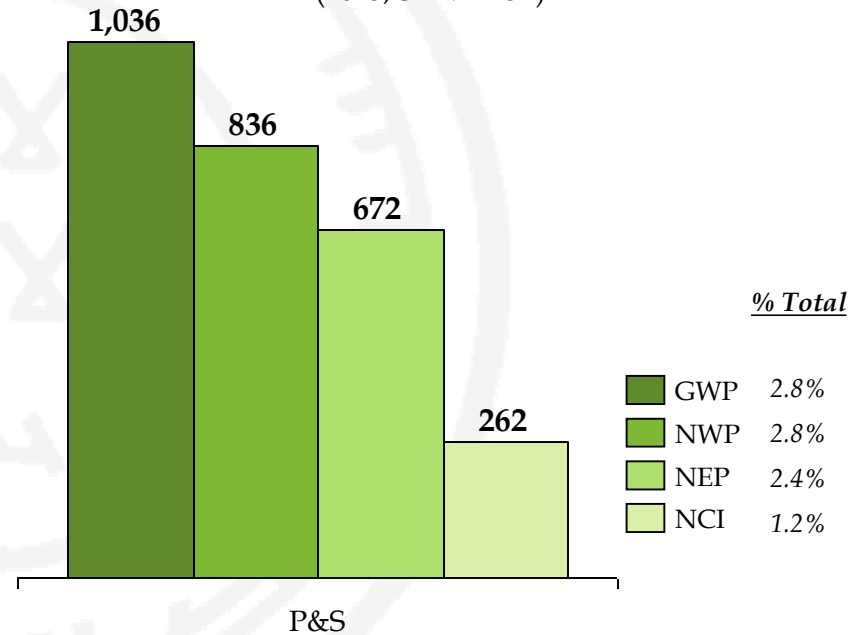
77%



Protection and Savings Insurance

- Protection and Savings insurance's GWP totaled SR 1.036 Million in 2015, which represents a 2.8% contribution to the market's total business volume
- Protection and Savings insurance accounted for 2.8% of the market's NWP, as insurance companies retained SR 836 Million of GWP
- Protection and Savings insurance's NEP registered SR 672 Million, which represents a share of 2.4% of total NEP
- Protection and Savings insurance's NCI amounted to SR 262 Million

Protection and Savings Insurance Performance
(2015, SR Million)



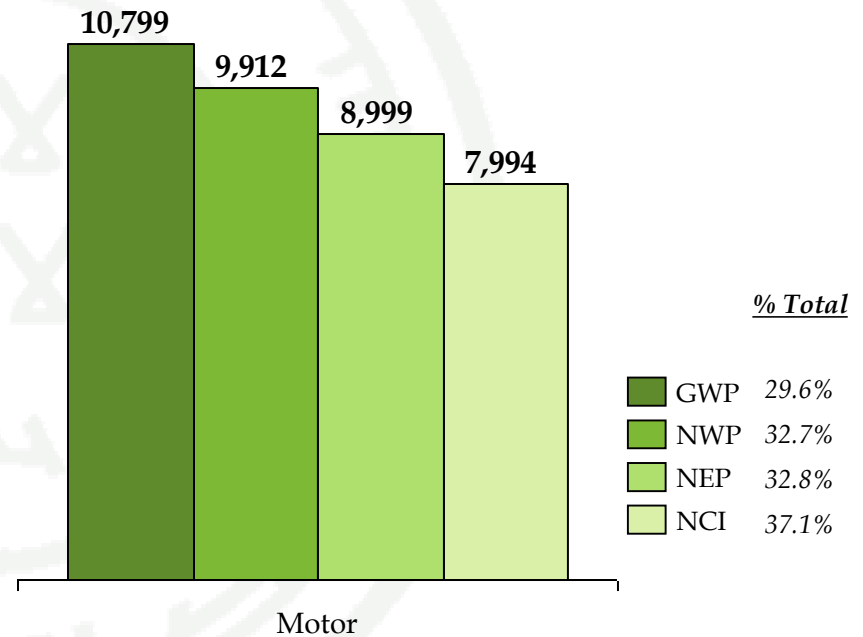
Retention ratio and loss ratio are not shown due to the savings part of the premium which distorts the ratios



Motor Insurance

- Motor insurance's GWP totaled SR 10.799 Billion in 2015, which represents a 29.6% share of total market GWP
- Insurance companies retained 91.8% of their Motor underwritten premiums .Motor insurance NWP totaled SR 9.91 Billion
- Motor insurance's NEP amounted to SR 8.99 Billion and accounted for 32.8% of the insurance market's NEP
- Insurance companies recorded SR 7.99 Billion in Motor insurance's NCI which resulted in a 88.8% loss ratio

Motor Insurance Performance
(2015, SR Million)



Retention Ratio

91.8%

Loss Ratio

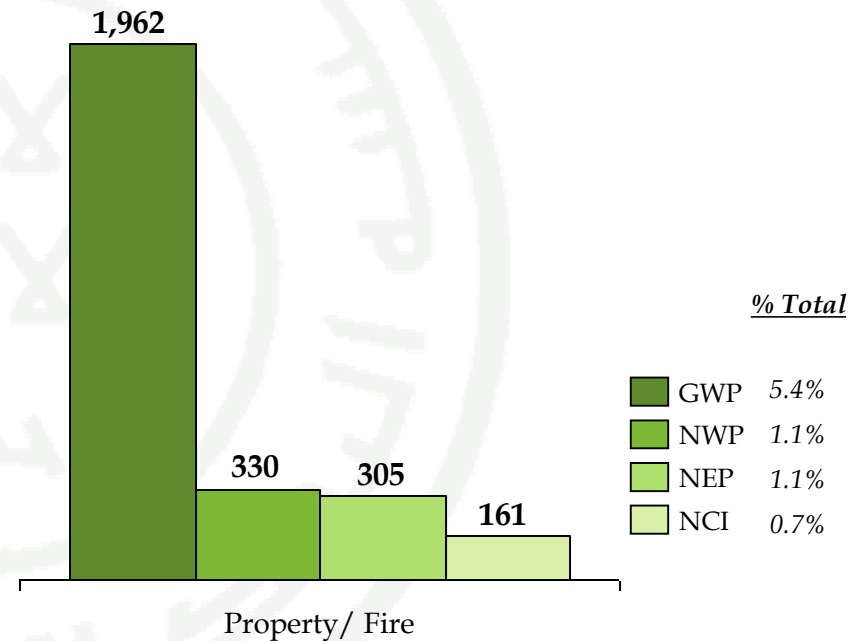
88.8%



Property/ Fire Insurance

- Property/ Fire insurance's GWP totaled SR 1.9 Billion in 2015, which represents a 5.4% share of total market GWP
- Insurance companies retained only 16.8% of their Property/ Fire insurance premiums, as the business line's NWP amounted to 330 Million. Property/ Fire insurance contributed 1.1% to total market NWP in 2015
- Property/ Fire insurance's NEP registered SR 305 Million
- Insurance companies recorded SR 161 Million in Property/ Fire insurance's NCI, which translates into a 53% loss ratio

Property/ Fire Insurance Performance
(2015, SR Million)



Retention Ratio

16.8%

Loss Ratio

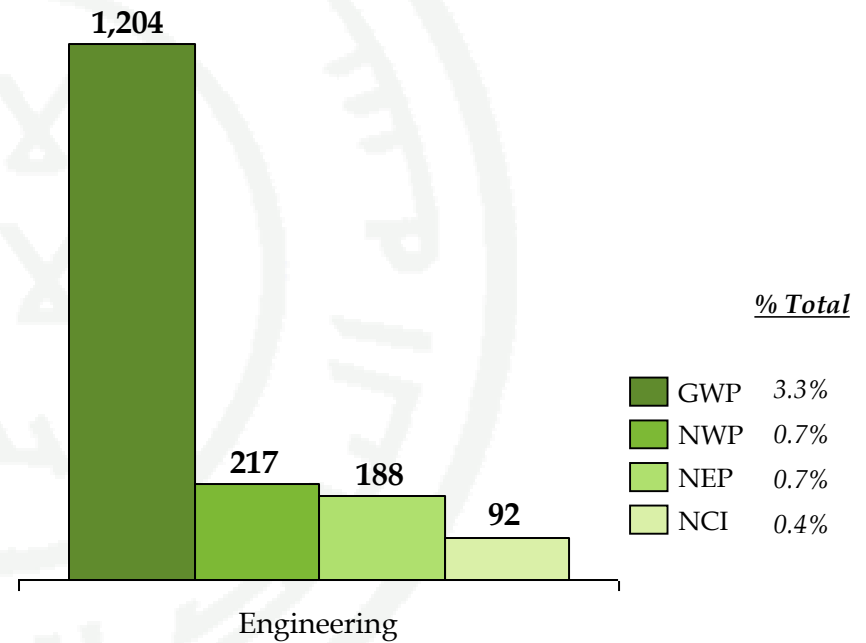
53%



Engineering Insurance

- Engineering insurance's GWP totaled SR 1.2 Billion in 2015, which represents a 3.3% contribution to total market GWP
- Insurance companies retained 18% of their Engineering underwritten premiums. Engineering insurance NWP registered SR 217 Million
- Engineering insurance NEP amounted to SR 188 Million and accounted for 0.7% of the insurance market's NEP
- Engineering insurance recorded a loss ratio of 49%, with NCI, totaling SR 92 Million

Engineering Insurance Performance
(2015, SR Million)



Retention Ratio

18%

Loss Ratio

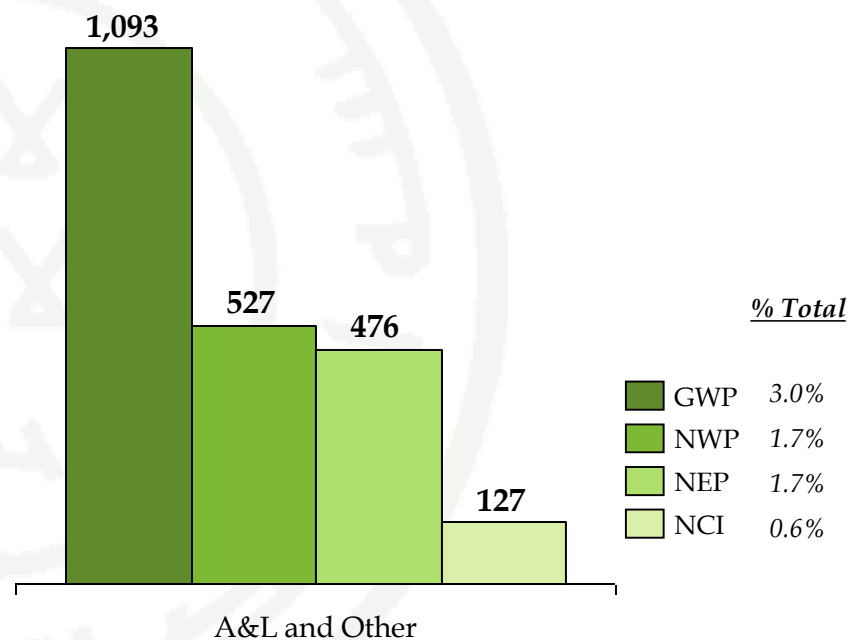
49%



A&L and Other* Insurance

- Accident and Liability (A&L) insurance includes the following lines of business: personal accident, work related, employer's liability, third party liability, general liability, product liability, medical liability, professional liability, theft & burglary, fidelity, safe burglary inside the premises and in transit and other liability products
- Insurance companies underwrote SR 1.09 Billion in A&L and Other general insurance premiums
- Insurance companies retained SR 527 Million of A&L and Other general insurance underwritten premiums, a 48.2% retention ratio
- A&L and Other general insurance NEP totaled SR 476 Million, which represents a 1.7% contribution to total NEP
- Insurance companies recorded SR 127 Million in A&L and Other general insurance's NCI, which translates into a 26.8% loss ratio

A&L and Other Performance
(2015, SR Million)



<u>Retention Ratio</u>	<u>Loss Ratio</u>
48.2%	26.8%

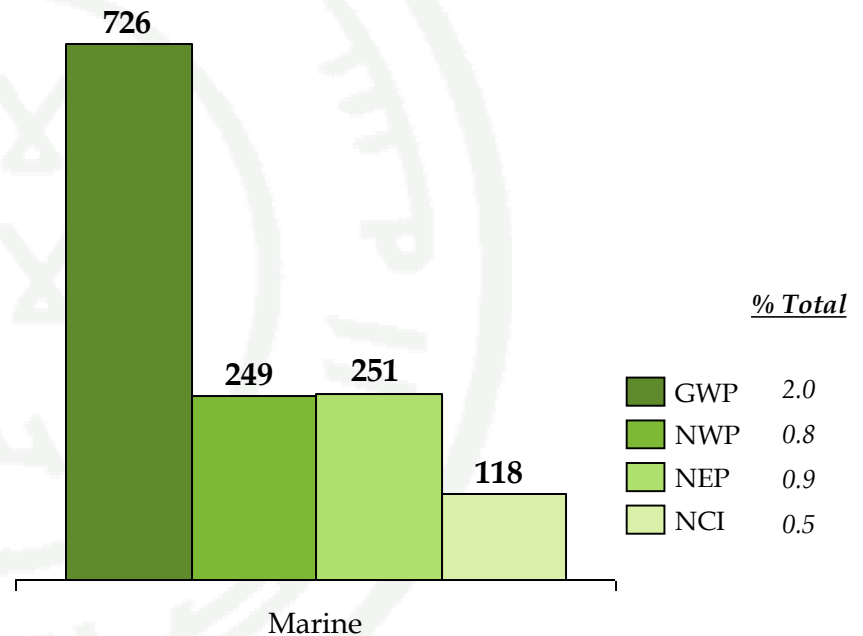
* Other insurance refers to all other business lines in general insurance



Marine Insurance

- The Marine insurance line of business includes both marine cargo and marine hull insurance
- Marine insurance GWP totaled SR 726 Million in 2015, which represents a 2.0% contribution to total market GWP
- Insurance companies retained 34.3% of their Marine insurance underwritten premiums, as the business line's NWP amounted to SR 249 Million
- Marine insurance's NEP recorded SR 251 Million, which represents a 0.9% share of total NEP for 2015
- Marine insurance's NCI amounted to SR 118 Million. This resulted in a loss ratio of 46.9%

Marine Insurance Performance
(2015, SR Million)



Retention Ratio

34.4%

Loss Ratio

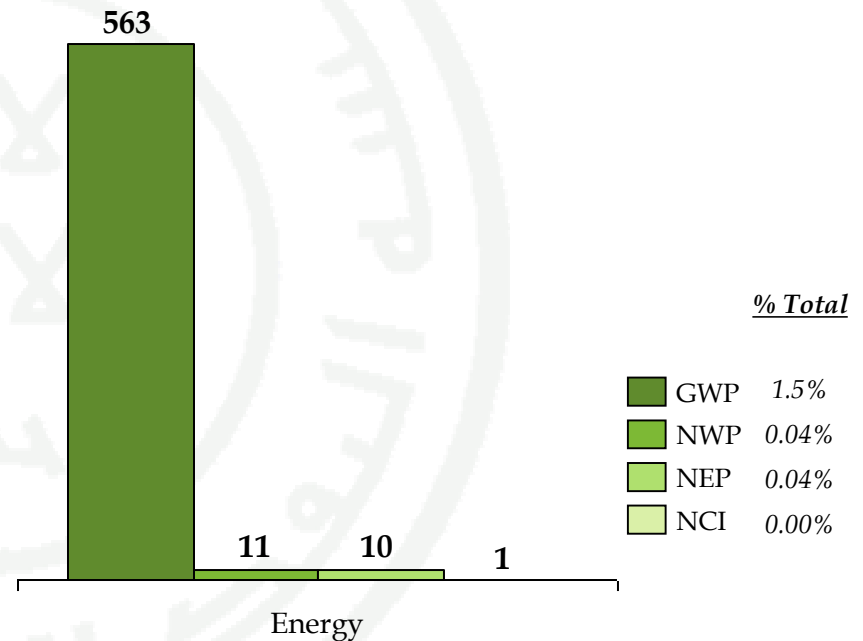
46.9%



Energy Insurance

- In 2015, Energy insurance GWP totaled SR 563 Million, which represents a 1.5% share of total market GWP
- Insurance companies ceded 98% of their Energy insurance underwritten premiums. Energy insurance NWP amounted to SR 11 Million
- Energy insurance's NEP amounted to SR 10 Million, accounting for only 0.04% of the insurance market's NEP
- Energy insurance's NCI amounted to SR 1 Million. This resulted in a loss ratio of 7.1%

Energy Insurance Performance
(2015, SR Million)



Retention Ratio

2%

Loss Ratio

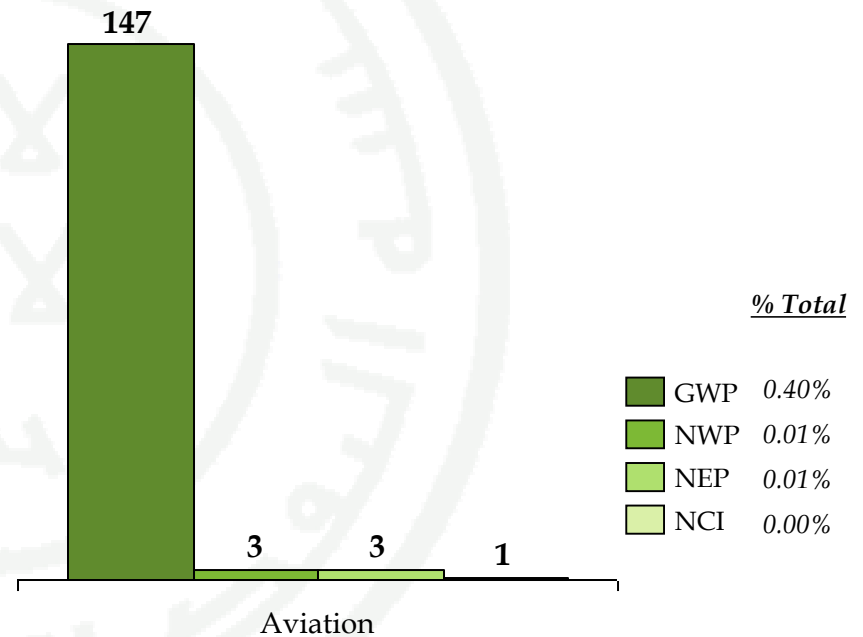
7.1%



Aviation Insurance

- Aviation insurance GWP reached SR 147 Million in 2015, a 0.40% contribution to total market GWP
- NWP for Aviation insurance reached SR 3 Million, resulting in a retention ratio of 1%
- Aviation insurance's NEP totaled SR 3 Million, accounting for only 0.01% of the insurance market's NEP
- Aviation insurance's NCI amounted to SR 1 Million. This resulted in a loss ratio of 26.8%

Aviation Insurance Performance
(2015, SR Million)



Retention Ratio

2%

Loss Ratio

26.8%

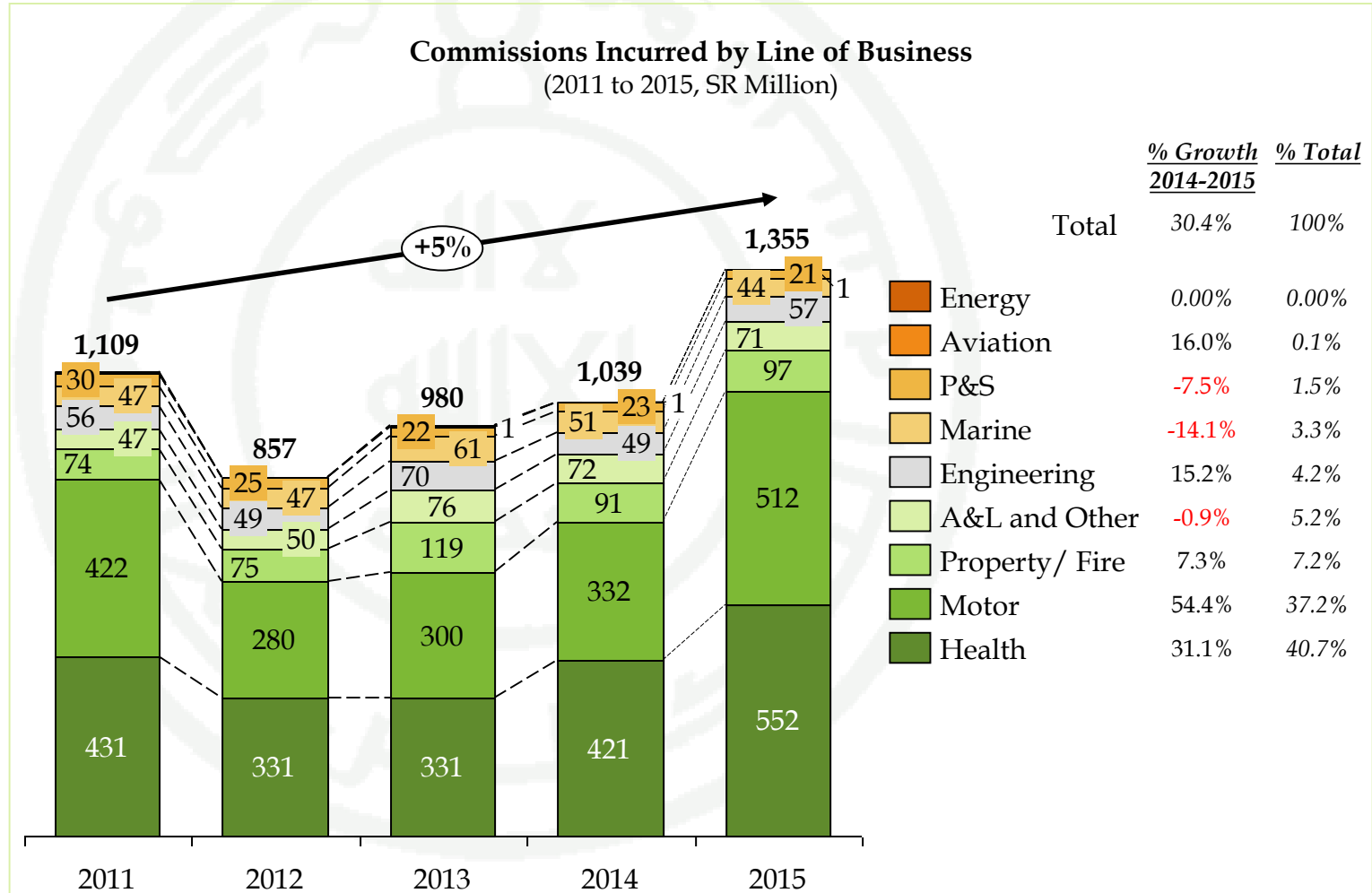


Other Market Indicators



Commissions Incurred by Line of Business

- Total commissions incurred amounted to SR 1.35 Billion in 2015, compared to SR 1.04 Billion in 2014, which represents an increase of 30.4%
- General insurance related commissions accounted for 57.8% of total commissions incurred in 2015
- Health insurance's share of total commissions incurred represented 40.7% in 2015
- Protection and Savings insurance's commissions incurred was 1.5% of total commissions incurred in 2015

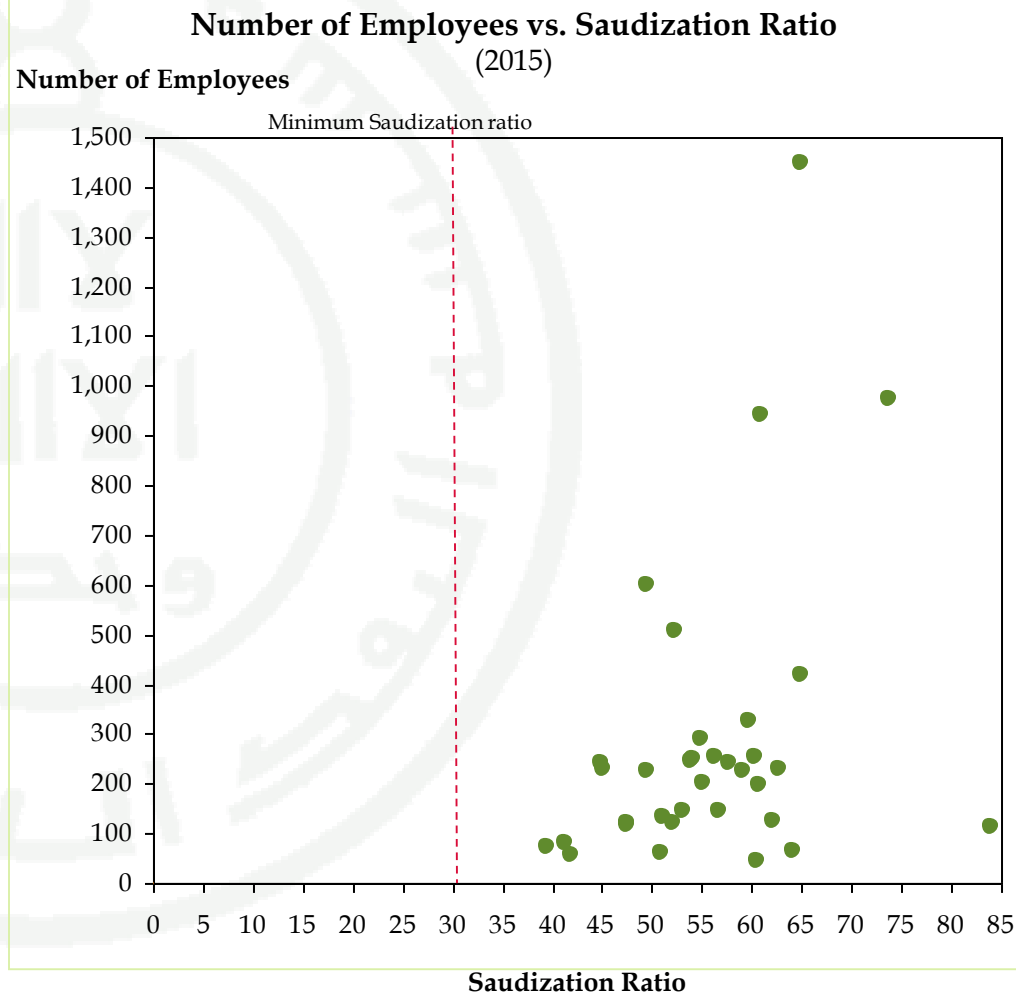




Employees Breakdown by Nationality

- The total number of insurance companies' employees in Saudi Arabia reached 9,607 in 2015, up from 9,559 in 2014
- The ratio of Saudi nationals employed by insurance companies in 2015 increased, representing 59% of the total workforce
- the Saudization ratio for non-managerial positions increased to 62%, while the Saudization ratio for managerial positions decreased to 42%, down from 44% in 2014
- Note: A newly licensed insurance company is required to adhere to a Saudization ratio of 30% at the end of its first year of operation and shall increase the ratio annually, according to its Saudization plan (as per Article 79 of the Implementing Regulations)

Nationality	No. of Non-managerial Employees		No. of Managerial Employees		Total No. of Employees	
	2014	2015	2014	2015	2014	2015
Other Arab	1,379	1,258	443	512	1,822	1,770
Other Non-Arab	1,954	1,733	383	473	2,328	2,206
Saudi	4,765	4,974	644	732	5,409	5,706
Total	8,089	7,965	1,470	1,717	9,559	9,682
Saudization Ratio	59%	62%	44%	42%	57%	59%

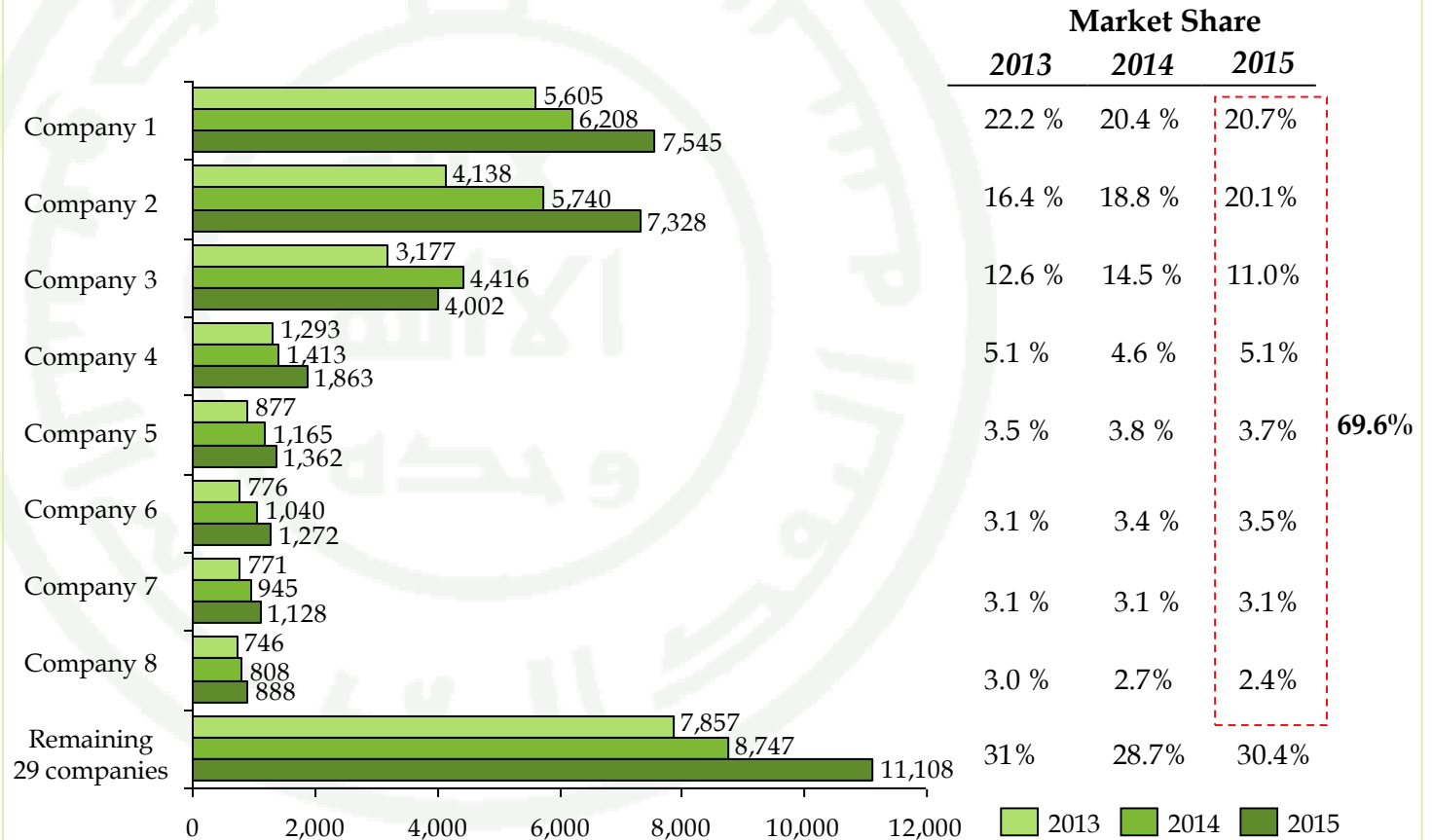




Insurance Market Structure

- In 2015, the top 8 insurance companies generated 69.6% of the insurance market's GWP
- The remaining 27 insurance companies included in the report accounted for the remaining 30.4% of total market premiums

Gross Written Premiums by Company
(2013 to 2015, SR Million)



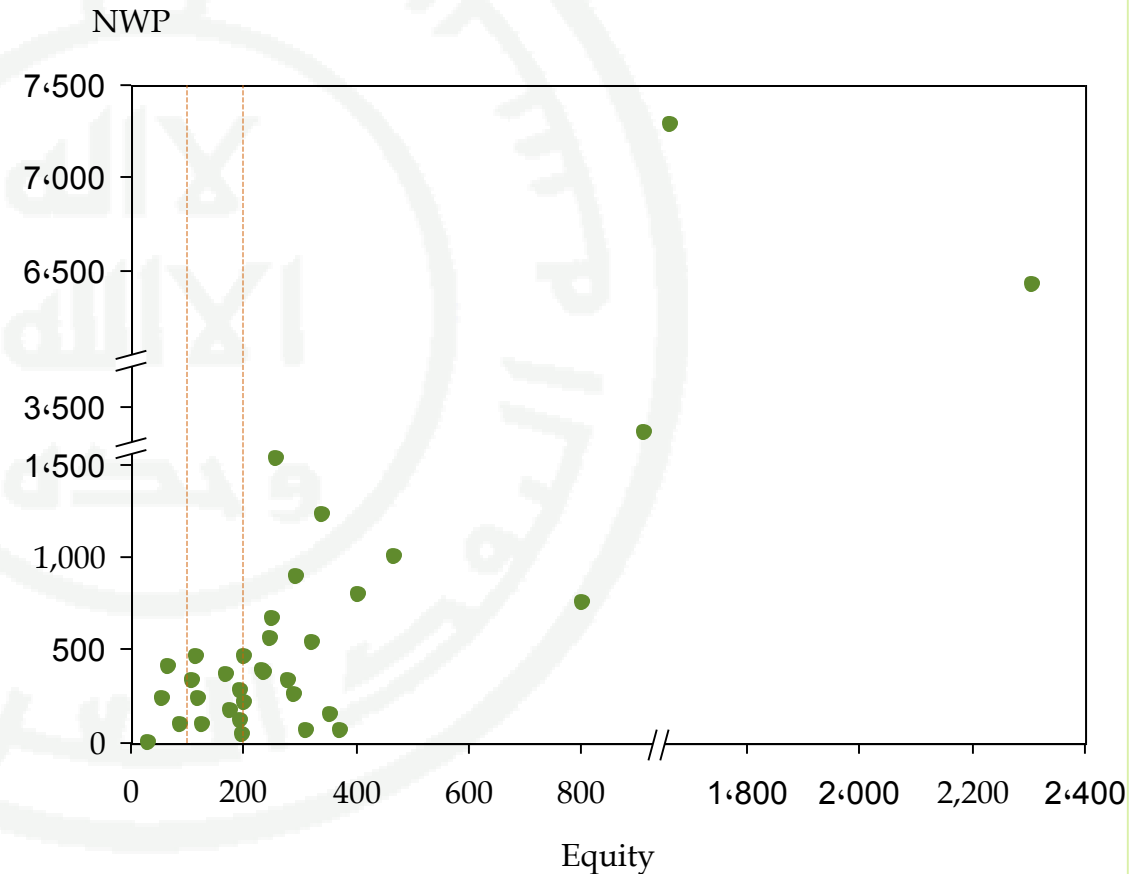


Capitalization of Insurance Companies

- Insurance companies' equity increased from SR 10.01 Billion at the end of 2014 to SR 12.42 Billion at the end of 2015, with 30 companies exceeding SR 100 Million
- Note: the Law on Supervision of Cooperative Insurance Companies stipulates a minimum capital of SR 100 Million for insurance companies and SR 200 Million for companies that undertake insurance and reinsurance activities

Shareholders' Equity (2015)	Number of Companies
Up to SR 50 Million	1
SR 50 M to SR 100 Million	3
SR 100 M to SR 150 Million	4
SR 150 M to SR 200 Million	4
SR 200 M to SR 500 Million	18
More that SR 500 Million	4

Insurance Companies' Equity vs. NWP
(2015, SR Million)





Appendix: Data Tables



Table 1: Gross Written Premiums by Line of Business (2011 to 2015)

Table 1: Gross Written Premiums by Line of Business											
Line of Business	2011		2012		2013		2014		2015		% Change
	SR Million	%	SR Million	%	SR Million	%	SR Million	%	SR Million	%	
A&L and Other	631.5	%3.4	690.9	%3.3	940.8	%3.7	1,079.4	%3.5	1,093.1	%3.0	%1.3
Motor	3,922.2	%21.2	4,689.2	%22.1	6,354.7	%25.2	8,026.2	%26.3	10,799.2	%29.6	%34.5
Property/ Fire	1,156.7	%6.3	1,348.4	%6.4	1,664.5	%6.6	1,923.2	%6.3	1,961.9	%5.4	%2.0
Marine	634.1	%3.4	743.1	%3.5	740.3	%2.9	811.4	%2.7	726.2	%2.0	%(10.5)
Aviation	272.1	%1.5	67.1	%0.3	144.0	%0.6	140.4	%0.5	146.6	%0.4	%4.5
Energy	361.0	%2.0	384.6	%1.8	456.0	%1.8	442.7	%1.5	562.6	%1.5	%27.1
Engineering	912.5	%4.9	1,076.6	%5.1	1,199.7	%4.8	1,434.1	%4.7	1,204.0	%3.3	%(16.0)
Total General Insurance	7,890.3	%42.6	8,999.9	%42.5	11,500.0	%45.6	13,857.4	%45.5	16,493.8	%45.2	%19.0
Total Health Insurance	9,708.4	%52.5	11,285.4	%53.3	12,895.0	%51.1	15,720.5	%51.6	18,966.8	%52.0	%20.7
Total P&S Insurance	905.1	%4.9	888.5	%4.2	844.5	%3.3	904.4	%3.0	1,035.7	%2.8	%14.5
Total	18,503.7	%100.0	21,173.8	%100.0	25,239.4	%100.0	30,482.2	%100.0	36,496.3	%100.0	%19.7



Tables 2 & 3: Insurance Penetration and Density (2011 to 2015)

Table 2: Insurance Penetration

Line of Business	2011	2012	2013	2014	2015	% Change
	%	%	%	%	%	
Total General Insurance	%0.36	%0.33	%0.41	%0.49	%0.67	%37.1
Total Health Insurance	%0.45	%0.41	%0.46	%0.56	%0.77	%39.0
Total P&S Insurance	%0.04	%0.03	%0.03	%0.03	%0.04	%31.9
Total	%0.85	%0.78	%0.90	%1.08	%1.49	%37.9

Table 3: Insurance Density

Line of Business	2011	2012	2013	2014	2015	% Change
	SR	SR	SR	SR	SR	
Total General Insurance	290.8	308.3	393.9	450.4	536.0	%19.0
Total Health Insurance	357.8	386.5	441.7	510.9	616.4	%20.6
Total P&S Insurance	33.4	30.4	28.9	29.4	33.7	%14.5
Total	682.0	725.2	864.5	990.6	1186.1	%19.7



Table 4: Net Written Premiums by Line of Business (2011 to 2015)

Table 4: Net Written Premiums by Line of Business											
Line of Business	2011		2012		2013		2014		2015		% Change
	SR Million	%	SR Million	%	SR Million	%	SR Million	%	SR Million	%	
A&L and Other	279.8	2.1%	329.0	2.0%	391.0	2.0%	564.1	2.3%	527.3	1.7%	(6.5)%
Motor	3,710.6	27.4%	4,408.2	27.4%	5,967.0	31.0%	7,601.7	31.2%	9,912.4	32.7%	30.4%
Property/ Fire	135.5	1.0%	203.2	1.3%	281.6	1.5%	315.8	1.3%	330.3	1.1%	4.6%
Marine	204.9	1.5%	229.5	1.4%	241.5	1.3%	251.5	1.0%	248.9	0.8%	(1.0)%
Aviation	1.2	0.01%	2.4	0.01%	3.6	0.02%	3.5	0.01%	2.9	0.01%	(16.3)%
Energy	7.4	0.1%	7.3	0.05%	7.5	0.04%	8.7	0.04%	11.1	0.04%	28.3%
Engineering	131.2	1.0%	165.9	1.0%	180.3	0.9%	204.9	0.8%	216.5	0.7%	5.7%
Total General Insurance	4,470.7	33.0%	5,345.5	33.3%	7,072.7	36.8%	8,950.2	36.8%	11,249.5	37.2%	25.7%
Total Health Insurance	8,225.1	60.8%	9,951.3	61.9%	11,456.0	59.5%	14,654.5	60.2%	18,189.1	60.1%	24.1%
Total P&S Insurance	841.2	6.2%	767.0	4.8%	714.0	3.7%	729.6	3.0%	835.9	2.8%	14.6%
Total	13,537.0	100.0%	16,063.8	100.0%	19,242.6	100.0%	24,334.2	100.0%	30,274.5	100.0%	24.4%



Table 5: Retention Ratio by Line of Business (2011 to 2015)

Table 5: Retention Ratio by Line of Business						
Line of Business	2011	2012	2013	2014	2015	% Change
	%	%	%	%	%	
A&L and Other	44.3%	47.6%	41.6%	52.3%	48.2%	(7.7)%
Motor	94.6%	94.0%	93.9%	94.7%	91.8%	(3.1)%
Property/ Fire	11.7%	15.1%	16.9%	16.4%	16.8%	2.5%
Marine	32.3%	30.9%	32.6%	31.0%	34.3%	10.6%
Aviation	2.9%	3.6%	2.5%	2.5%	2.0%	(19.8)%
Energy	2.1%	1.9%	1.7%	2.0%	2.0%	1.0%
Engineering	14.4%	15.4%	15.0%	14.3%	18.0%	25.9%
Total General Insurance	56.7%	59.4%	61.5%	64.6%	68.2%	5.6%
Total Health Insurance	84.7%	88.2%	88.8%	93.2%	95.9%	2.9%
Total	72.1%	75.4%	76.0%	79.8%	83.0%	4.0%

Retention ratios are not shown for Protection & Savings in this table as the savings element of the contract must be retained in the Saudi Arabian company, so retentions are not directly comparable with other insurance contracts.



Table 6: Commissions Incurred by Line of Business (2011 to 2015)

Table 6: Commissions Incurred by Line of Business											
Line of Business	2011		2012		2013		2014		2015		% Change
	SR Million	%	SR Million	%	SR Million	%	SR Million	%	SR Million	%	
A&L and Other	46.5	4.2%	49.7	5.8%	76.4	7.8%	71.6	6.9%	70.9	5.2%	(0.9)%
Motor	421.6	38.0%	280.1	32.7%	300.2	30.6%	331.9	31.9%	512.4	37.8%	54.4%
Property/ Fire	74.4	6.7%	74.7	8.7%	118.5	12.1%	90.9	8.7%	97.4	7.2%	7.3%
Marine	46.8	4.2%	47.4	5.5%	61.4	6.3%	51.5	5.0%	44.2	3.3%	(14.1)%
Aviation	2.4	0.2%	0.3	0.04%	0.5	0.1%	0.8	0.1%	1.0	0.1%	16.0%
Energy	0.7	0.1%	0.002	0.0002%	0.1	0.01%	0.00	0.0%	0.00	0.00%	0.00%
Engineering	56.0	5.1%	49.4	5.8%	69.7	7.1%	49.2	4.7%	56.7	4.2%	15.2%
Total General Insurance	648.4	58.5%	501.7	58.5%	626.9	64.0%	595.9	57.4%	782.6	57.8%	31.3%
Total Health Insurance	430.7	38.8%	330.6	38.6%	330.6	33.7%	420.6	40.5%	551.5	40.7%	31.1%
Total P&S Insurance	29.6	2.7%	24.8	2.9%	22.5	2.3%	22.5	2.2%	20.8	1.5%	(7.5)%
Total	1,108.7	100.0%	857.1	100.0%	979.9	100.0%	1,039.0	100.0%	1,355.0	100.0%	30.4%



Table 7: Gross Claims Paid by Line of Business (2011 to 2015)

Table 7: Gross Claims Paid by Line of Business											
Line of Business	2011		2012		2013		2014		2015		% Change
	SR Million	%	SR Million	%	SR Million	%	SR Million	%	SR Million	%	
A&L and Other	92.5	1%	105.0	1%	118.3	1%	207.1	1%	200.2	1%	(3.3)%
Motor	2,730.0	24%	3,464.8	25%	4,720.2	28%	6,069.0	30%	7,554.6	31%	24.5%
Property/ Fire	527.4	5%	773.6	6%	859.7	5%	1,312.0	6%	2,367.0	10%	80.4%
Marine	205.8	2%	257.3	2%	374.1	2%	261.2	1%	216.2	1%	(17.2)%
Aviation	31.3	0.3%	15.5	0.1%	6.9	0.04%	7.1	0.04%	51.3	0.21%	621.7%
Energy	82.2	1%	58.5	0.4%	1.2	0.01%	1.2	0.01%	1.2	0.00%	0.00%
Engineering	226.1	2%	239.7	2%	213.0	1%	559.4	3%	631.3	3%	12.8%
Total General	3,895.4	34%	4,914.3	36%	6,293.1	37%	8,417.0	41%	11,021.8	45%	30.9%
Total Health	7,297.4	64%	8,511.5	63%	10,405.2	61%	11,567.2	57%	13,106.1	53%	13.3%
Total P&S	292.5	3%	189.4	1%	297.2	2%	329.4	2%	389.7	2%	18.3%
Total	11,485.3	100%	13,615.2	100%	16,995.5	100%	20,313.7	100%	24,517.6	100%	20.7%