



مصرف البحرين المركزي

Central Bank of Bahrain

Insurance Market Review

2018





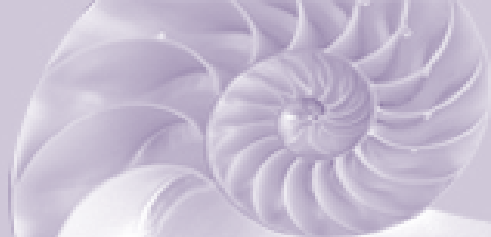
**His Royal Highness Prince
Khalifa Bin Salman Al Khalifa
The Prime Minister**



**His Majesty
King Hamad Bin Isa Al Khalifa
King of The Kingdom of Bahrain**



**His Royal Highness Prince
Salman Bin Hamad Al Khalifa
The Crown Prince, Deputy
Supreme Commander and
First Deputy Premier**

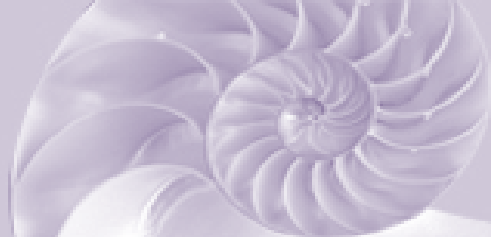


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Bahrain Insurance Market



Main Highlights

BD' 000	Gross Premiums			Gross Claims		
	2018	2017	% Δ	2018	2017	% Δ
Long-term	51,209	52,422	-2%	36,882	30,734	20%
Fire, Property & Liability	39,902	33,929	18%	40,200	73,581	-45%
Miscellaneous Financial Loss	4,018	3,348	20%	(319)	2,842	-111%
Marine & Aviation	8,304	6,424	29%	1,667	1,370	22%
Motor	82,576	80,909	2%	65,786	75,261	-13%
Engineering	22,594	16,304	39%	43,151	41,106	5%
Medical	65,497	66,229	-1%	42,139	42,724	-1%
Others	9,924	9,083	9%	3,137	4,755	-34%
Total	284,024	268,648	6%	232,643	272,371	-15%

Note: Certain items have been restated or reclassified and have been retrospectively adjusted in 2017.

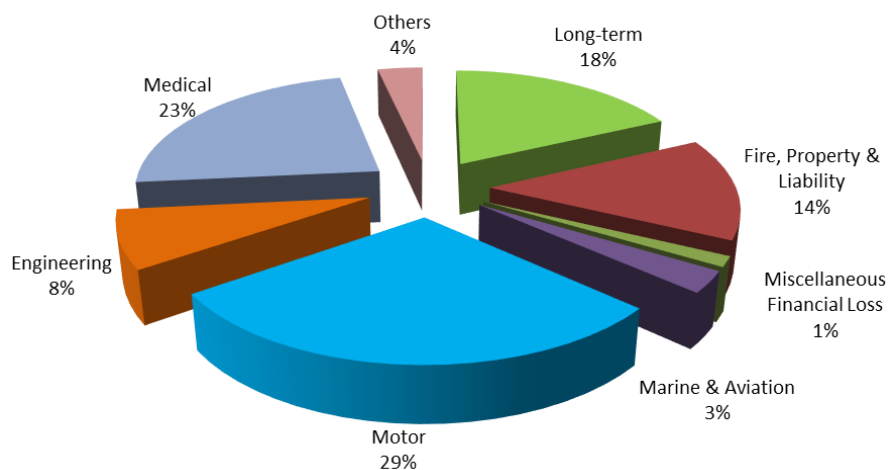


Chart 1-1: Gross Premiums of Insurance Firms Operating in Bahrain for the year 2018

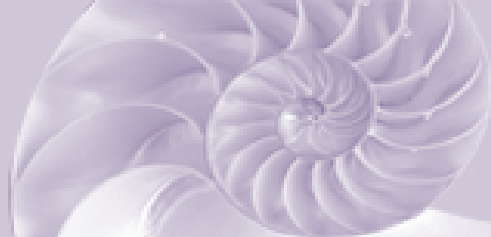


Table 1-1: Insurance Firms and Organisations Authorised in Bahrain (2009 - 2018)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Bahraini Insurance Firms	23	24	25	25	25	25	26	27	27	27
Overseas Insurance Firms (Foreign Branches)	12	12	11	11	11	11	11	11	11	11
Insurance Licensees Limited to Operation Outside Bahrain	20	25	25	25	28	32	33	37	41	46
Representative Offices	4	4	4	4	5	5	5	5	5	5
Insurance Brokers	32	31	31	31	31	31	31	33	33	32
Insurance Consultants	4	4	4	4	4	5	5	5	5	4
Loss Adjusters	13	13	13	11	11	11	11	11	11	11
Actuaries	29	29	27	27	23	31	30	27	25	24
Insurance Pools & Syndicates	2	2	2	2	2	2	2	2	2	2
Insurance Ancillary Services	7	7	6	6	6	6	3	3	2	2
Insurance Managers	4	4	4	5	3	3	3	3	3	3
Insurance Society	1	1	1	1	1	1	1	1	1	1
TOTAL	151	156	153	152	150	163	161	165	166	168

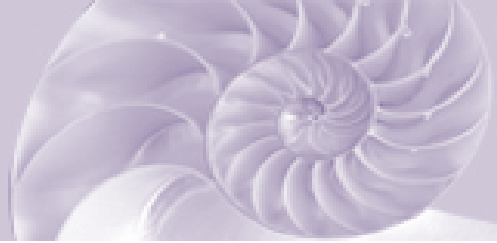


Table 1-2: Bahrain Insurance Market Manpower (2014-2018)

	Bahraini Ins. Firms		Overseas Ins. Firms		Reinsurance / Retakaful Firms		TOTAL			
	Bahraini	Non Bah.	Bahraini	Non Bah.	Bahraini	Non Bah.	Bahraini	Non Bah.	Total	% of Bah.
2018	820	276	41	57	181	199	1,042	532	1,574	66%
2017	842	284	44	55	188	200	1,074	539	1,613	67%
2016	851	291	52	62	194	206	1,097	559	1,656	66%
2015	799	295	57	69	192	212	1,048	576	1,624	65%
2014	832	286	63	83	186	194	1,081	563	1,644	66%



Chart 1-2: Bahrain Insurance Market Manpower in 2018

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Performance of Insurance Firms

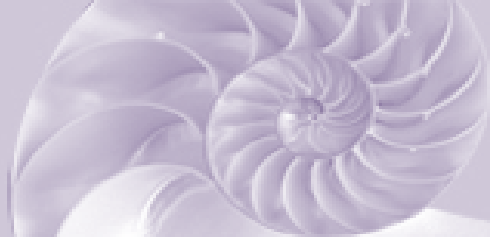


Table 2-1: Gross Premiums and Claims of Insurance Firms Operating in Bahrain (By Class)

BD' 000	Gross Premiums			Net Premiums Written			Gross Claims			Net Claims		
	2018	2017	% Δ	2018	2017	% Δ	2018	2017	% Δ	2018	2017	% Δ
Long-term	51,209	52,422	-2%	45,688	47,354	-4%	36,882	30,734	20%	32,787	27,601	19%
Fire, Property & Liability	39,902	33,929	18%	6,704	8,474	-21%	40,200	73,581	-45%	4,231	3,245	30%
Miscellaneous Financial Loss	4,018	3,348	20%	675	537	26%	-319	2,842	-111%	36	194	-82%
Marine & Aviation	8,304	6,424	29%	1,494	1,394	7%	1,667	1,370	22%	638	783	-19%
Motor	82,576	80,909	2%	79,183	77,352	2%	65,786	75,261	-13%	54,214	58,883	-8%
Engineering	22,594	16,304	39%	331	4,609	-93%	43,151	41,106	5%	4,814	4,123	17%
Medical	65,497	66,229	-1%	42,716	36,582	17%	42,139	42,724	-1%	29,962	26,529	13%
Others	9,924	9,083	9%	4,140	2,717	52%	3,137	4,755	-34%	779	1,304	-40%
Total	284,024	268,648	6%	180,932	179,018	1%	232,643	272,371	-15%	127,460	122,661	4%

Table 2-2: Retention Ratio and Loss Ratio (By Class)

	Retention Ratio ¹		Loss Ratio ²	
	2018	2017	2018	2017
Long-term	89%	90%	70%	56%
Fire, Property & Liability	17%	25%	58%	39%
Miscellaneous Financial Loss	17%	16%	5%	33%
Marine & Aviation	18%	22%	41%	57%
Motor	96%	96%	72%	77%
Engineering	1%	28%	128%	121%
Medical	65%	55%	74%	76%
Others	42%	30%	39%	33%

¹ Net Premiums Written / Gross Premiums

² Net Claims Incurred / Net Premiums Earned

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**Highlights
of
Insurance Business
By Class**

LONG-TERM INSURANCE:

Long-term Insurance coverage includes the following policies:

- Group life assurance;
- Group credit life assurance;
- Level and decreasing term assurance;
- Unit-linked assurance;
- Participating with profit policies; and
- Children's education policies.

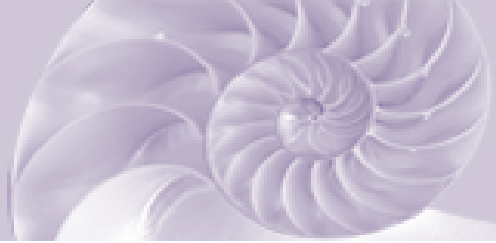
This is in addition to the ancillary benefits that are normally attached to such types of life assurance.

Table 3-1: Gross Premiums & Claims of Long-term Insurance for the last five years

BD '000	Gross Premiums	Gross Claims
2014	60,837	37,415
2015	55,028	39,923
2016	51,620	33,000
2017	52,422	30,734
2018	51,209	36,882



Chart 3-1: Gross Premiums of Long-term Insurance Firms for the year 2018



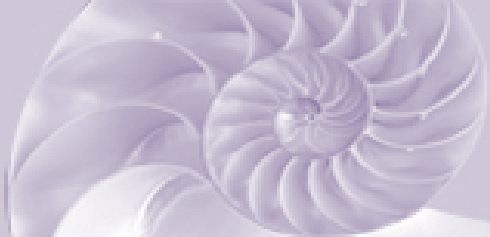
FIRE, PROPERTY & LIABILITY INSURANCE:

Table 3-2: Gross Premiums & Claims of Fire, Property & Liability Insurance for the last five years

BD '000	Gross Premiums	Gross Claims
2014	49,010	27,202
2015	47,319	2,189
2016	40,314	8,249
2017	33,929	73,581
2018	39,902	40,200



Chart 3-2: Gross Premiums of Fire, Property & Liability Insurance for the year 2018



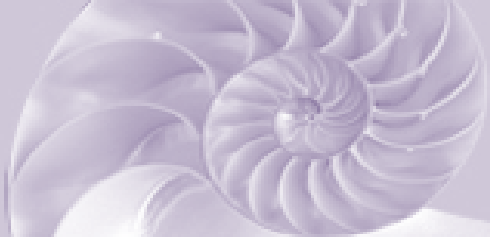
MARINE & AVIATION INSURANCE:

Table 3-3: Gross Premiums & Claims of Marine & Aviation Insurance for the last Five years

BD '000	Gross Premiums	Gross Claims
2014	7,939	590
2015	7,367	1,381
2016	5,966	1,864
2017	6,424	1,370
2018	8,304	1,667



Chart 3-3: Gross Premiums of Marine & Aviation Insurance for the year 2018



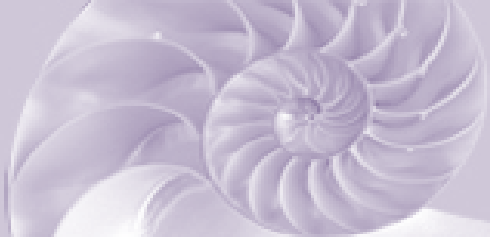
MOTOR INSURANCE:

Table 3-4: Gross Premiums & Claims of Motor Insurance for the last five years

BD '000	Gross Premiums	Gross Claims
2014	73,114	60,612
2015	76,157	65,715
2016	78,879	67,509
2017	80,909	75,261
2018	82,576	65,786



Chart 3-4: Gross Premiums of Motor Insurance for the year 2018



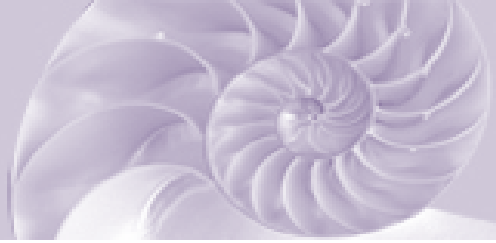
MEDICAL INSURANCE:

Table 3-5: Gross Premiums & Claims of Medical Insurance for the last five years

BD '000	Gross Premiums	Gross Claims
2014	47,894	32,585
2015	52,198	38,481
2016	62,108	41,992
2017	66,229	42,724
2018	65,497	42,139



Chart 3-5: Gross Premiums of Medical Insurance for the year 2018



OTHER CLASSES OF INSURANCE:

Other Classes of insurance have been grouped to include the following:

- Miscellaneous Financial Loss
- Engineering
- Others

Table 3-6: Gross Premiums & Claims for Other Classes of Insurance for the last five years

BD '000	Gross Premiums	Gross Claims
2014	35,151	13,498
2015	34,737	7,237
2016	33,155	5,625
2017	28,735	48,702
2018	36,537	45,969

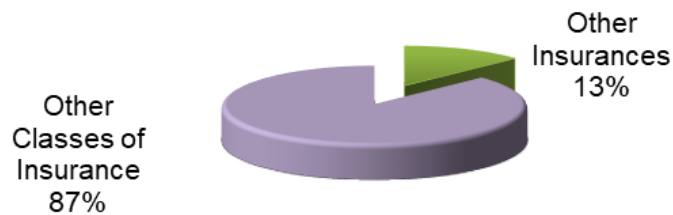


Chart 3-6: Gross Premiums for Other Classes of Insurance for the year 2018

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Statistical

Data

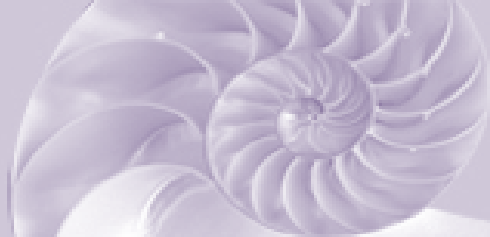


Table 4-1: Gross Premiums of Insurance Firms Operating in Bahrain

BD '000		Bahraini Insurance Firms		Total Bahraini Insurance Firms	Overseas Insurance Firms	GRAND TOTAL	
		Conventional Firms	Takaful Firms				
	Long-term	2018	25,291	6,046	31,338	19,871	51,209
		2017	24,522	6,349	30,871	21,552	52,422
	Fire	2018	20,332	4,196	24,529	3,179	27,708
		2017	14,315	3,754	18,069	4,074	22,143
	Damage to property	2018	5,168	1,278	6,446	0	6,446
		2017	4,271	1,349	5,620	0	5,620
	Miscellaneous financial loss	2018	1,425	1,950	3,375	643	4,018
		2017	1,646	908	2,554	793	3,348
	Marine cargo, marine hull	2018	5,157	858	6,015	440	6,455
		2017	3,794	713	4,508	439	4,946
	Aviation	2018	18	1,831	1,849	0	1,849
		2017	1,465	13	1,478	0	1,478
	Motor	2018	52,004	26,429	78,432	4,143	82,576
		2017	57,188	19,205	76,393	4,516	80,909
	Engineering	2018	12,458	1,956	14,413	8,181	22,594
		2017	4,565	1,261	5,826	10,478	16,304
	Liability	2018	3,329	1,326	4,655	1,093	5,748
		2017	3,137	1,683	4,820	1,346	6,165
	Medical (≤1 year)	2018	28,018	30,035	58,053	7,444	65,497
		2017	36,214	23,678	59,892	6,337	66,229
	Others	2018	3,994	3,607	7,601	2,323	9,924
		2017	3,405	3,490	6,895	2,188	9,083
	TOTAL	2018	157,193	79,512	236,706	47,319	284,024
		2017	154,523	62,403	216,926	51,722	268,648

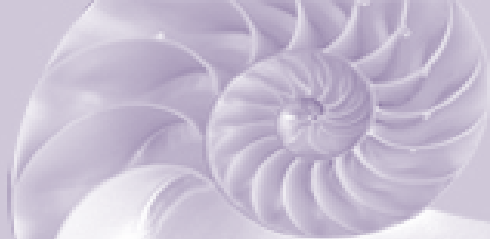


Table 4-2: Net Premiums Written of Insurance Firms Operating in Bahrain

BD '000		Bahraini Insurance Firms		Total Bahraini Insurance Firms	Overseas Insurance Firms	GRAND TOTAL
		Conventional Firms	Takaful Firms			
Long-term	2018	22,920	3,819	26,739	18,949	45,688
	2017	22,428	4,258	26,686	20,668	47,354
Fire	2018	2,578	381	2,959	1,720	4,679
	2017	2,723	415	3,137	2,821	5,958
Damage to property	2018	461	239	700	0	700
	2017	459	196	655	0	655
Miscellaneous financial loss	2018	104	297	401	274	675
	2017	228	32	260	277	537
Marine cargo, marine hull	2018	1,035	156	1,190	304	1,494
	2017	904	149	1,053	341	1,394
Aviation	2018	0	0	0	0	0
	2017	0	0	0	0	0
Motor	2018	50,154	25,142	75,296	3,887	79,183
	2017	55,190	18,009	73,199	4,152	77,352
Engineering	2018	605	177	782	(451)	331
	2017	640	140	780	3,828	4,609
Liability	2018	594	219	813	512	1,325
	2017	639	219	858	1,003	1,861
Medical (≤1 year)	2018	17,326	21,955	39,281	3,435	42,716
	2017	16,129	17,684	33,813	2,768	36,582
Others	2018	2,087	708	2,795	1,345	4,140
	2017	1,181	297	1,478	1,240	2,717
TOTAL	2018	97,863	53,093	150,957	29,975	180,932
	2017	100,520	41,400	141,920	37,098	179,018

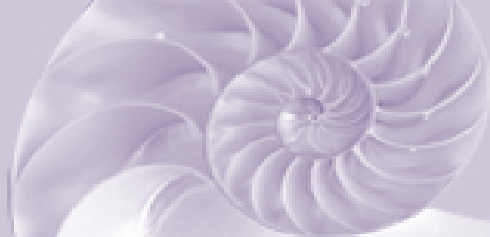


Table 4-3: Net Premiums Earned of Insurance Firms Operating in Bahrain

BD '000		Bahraini Insurance Firms		Total Bahraini Insurance Firms	Overseas Insurance Firms	GRAND TOTAL
		Conventional Firms	Takaful Firms			
Long-term	2018	23,025	4,651	27,676	18,951	46,627
	2017	22,684	6,237	28,921	20,679	49,600
Fire	2018	2,250	491	2,741	2,426	5,167
	2017	2,308	483	2,791	2,814	5,605
Damage to property	2018	424	216	640	0	640
	2017	437	197	634	0	634
Miscellaneous financial loss	2018	106	170	276	489	765
	2017	244	72	317	277	593
Marine cargo, marine hull	2018	1,066	155	1,221	327	1,548
	2017	877	142	1,019	354	1,373
Aviation	2018	0	0	0	0	0
	2017	0	0	0	0	0
Motor	2018	49,887	21,326	71,213	3,940	75,153
	2017	53,798	18,067	71,865	4,233	76,098
Engineering	2018	598	138	735	3,038	3,774
	2017	681	248	929	2,472	3,401
Liability	2018	615	211	826	655	1,481
	2017	609	450	1,059	1,059	2,118
Medical (≤1 year)	2018	16,527	20,302	36,829	3,527	40,356
	2017	15,495	16,764	32,259	2,603	34,862
Others	2018	1,093	695	1,788	196	1,984
	2017	1,179	291	1,470	2,477	3,947
TOTAL	2018	95,590	48,356	143,946	33,549	177,495
	2017	98,313	42,951	141,264	36,967	178,231

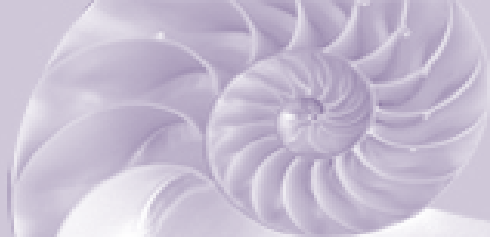


Table 4-4: Gross Claims of Insurance Firms Operating in Bahrain

BD '000		Bahraini Insurance Firms		Total Bahraini Insurance Firms	Overseas Insurance Firms	GRAND TOTAL
		Conventional Firms	Takaful Firms			
Long-term	2018	33,476	2,594	36,070	812	36,882
	2017	18,223	1,828	20,051	10,683	30,734
Fire	2018	35,772	683	36,456	1,060	37,516
	2017	57,625	346	57,971	13,163	71,134
Damage to property	2018	1,570	581	2,151	0	2,151
	2017	1,382	187	1,569	0	1,569
Miscellaneous financial loss	2018	153	(577)	(424)	104	(319)
	2017	530	1,713	2,243	599	2,842
Marine cargo, marine hull	2018	1,428	136	1,564	102	1,667
	2017	1,034	315	1,349	21	1,370
Aviation	2018	0	0	0	0	0
	2017	0	0	0	0	0
Motor	2018	45,261	17,765	63,026	2,760	65,786
	2017	54,280	17,289	71,569	3,692	75,261
Engineering	2018	809	364	1,173	41,979	43,151
	2017	2,125	201	2,326	38,780	41,106
Liability	2018	269	(46)	223	311	534
	2017	230	575	805	72	877
Medical (≤1 year)	2018	20,437	16,427	36,865	5,275	42,139
	2017	24,154	14,076	38,231	4,493	42,724
Others	2018	1,708	800	2,508	629	3,137
	2017	1,860	2,219	4,079	675	4,755
TOTAL	2018	140,884	38,728	179,611	53,032	232,643
	2017	161,444	38,749	200,193	72,178	272,371

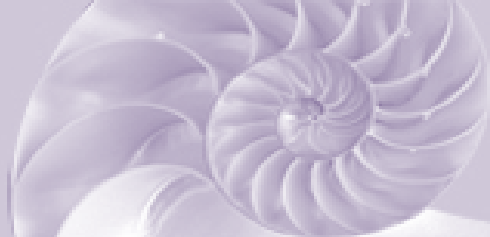


Table 4-5: Net Claims of Insurance Firms Operating in Bahrain

BD '000		Bahraini Insurance Firms		Total Bahraini Insurance Firms	Overseas Insurance Firms	GRAND TOTAL
		Conventional Firms	Takaful Firms			
Long-term	2018	31,252	899	32,151	636	32,787
	2017	16,255	925	17,180	10,421	27,601
Fire	2018	1,179	183	1,362	2,170	3,532
	2017	1,445	117	1,562	1,353	2,915
Damage to property	2018	370	113	483	0	483
	2017	153	15	168	0	168
Miscellaneous financial loss	2018	25	(1)	24	11	36
	2017	108	55	163	30	194
Marine cargo, marine hull	2018	487	53	540	98	638
	2017	720	39	759	24	783
Aviation	2018	0	0	0	0	0
	2017	0	0	0	0	0
Motor	2018	36,898	14,990	51,888	2,326	54,214
	2017	42,461	13,220	55,681	3,202	58,883
Engineering	2018	486	(137)	349	4,465	4,814
	2017	775	61	836	3,287	4,123
Liability	2018	92	25	117	98	216
	2017	147	33	180	(18)	162
Medical (≤1 year)	2018	11,311	16,321	27,632	2,330	29,962
	2017	11,958	12,861	24,819	1,710	26,529
Others	2018	567	(109)	458	321	779
	2017	320	536	855	448	1,304
TOTAL	2018	82,666	32,337	115,004	12,456	127,460
	2017	74,341	27,862	102,203	20,458	122,661

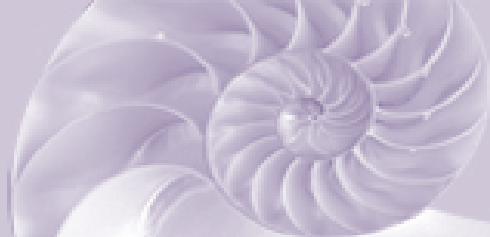


Table 4-6: Number of Insurance Policies Issued by Insurance Firms Operating in Bahrain

BD '000		Bahraini Insurance Firms		Total Bahraini Insurance Firms	Overseas Insurance Firms	GRAND TOTAL	
		Conventional Firms	Takaful Firms				
	Long-term	2018	72,594	7,882	80,476	12,240	92,716
		2017	73,421	10,758	84,179	10,780	94,959
	Fire	2018	6,641	9,798	16,439	1,762	18,201
		2017	8,062	8,891	16,953	2,135	19,088
	Damage to property	2018	2,817	3,011	5,828	0	5,828
		2017	2,833	2,921	5,754	0	5,754
	Miscellaneous financial loss	2018	3,350	7,428	10,778	852	11,630
		2017	4,938	3,543	8,481	1,292	9,773
	Marine cargo, marine hull	2018	11,889	7,023	18,912	2,957	21,869
		2017	15,070	4,477	19,547	3,048	22,595
	Aviation	2018	2	21	23	0	23
		2017	20	1	21	0	21
	Motor	2018	4,399,529	212,819	4,612,348	33,766	4,646,114
		2017	4,181,397	152,609	4,334,006	35,530	4,369,536
	Engineering	2018	1,034	1,976	3,010	618	3,628
		2017	1,346	1,575	2,921	1,018	3,939
	Liability	2018	3,549	2,631	6,180	670	6,850
		2017	3,587	1,507	5,094	1,234	6,328
	Medical (≤1 year)	2018	6,554	17,609	24,163	297	24,460
		2017	2,569	1,789	4,358	449	4,807
	Others	2018	18,519	6,287	24,806	4,059	28,865
		2017	16,477	5,975	22,452	4,147	26,599
	TOTAL	2018	4,526,478	276,485	4,802,963	57,221	4,860,184
		2017	4,309,720	194,046	4,503,766	59,633	4,563,399

5

Financial Data

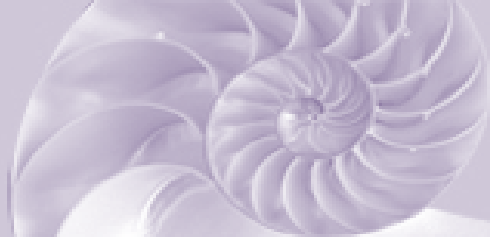


Table 5-1: Key Performance Figures of Insurance Firms – Financial Position

BD '000	Bahraini Insurance Firms				Overseas Insurance Firms		Total	
	Conventional		Takaful		2018	2017	2018	2017
	2018	2017	2018	2017				
Assets								
General Insurance Business								
Total investments in group undertakings and participating interests	114,524	112,062	7,392	7,702	0	0	121,916	119,764
Total Investments	433,427	401,423	47,005	42,785	73,665	69,978	554,098	514,186
Deposits with ceding undertakings	0	0	0	0	0	0	0	0
Total reinsurance assets	195,173	178,820	0	0	62,508	51,307	257,681	230,127
Total Insurance receivables	109,813	93,287	0	0	5,413	10,077	115,226	103,364
Total other receivables	35,999	30,239	3,900	6,080	6,128	5,251	46,027	41,570
Tangible assets	9,338	12,121	1,428	1,337	47	100	10,814	13,558
Total cash at bank and in hand	145,628	156,546	3,533	4,607	7,103	6,937	156,264	168,091
Total prepayments and accrued income	40,955	35,928	4,295	4,779	2,081	2,347	47,332	43,054
Total other assets	1,593	1,341	5,208	13,074	136	95	6,937	14,511
T. Shareholders assets (Takaful)			72,762	80,365			72,762	80,365
Total General insurance business assets	1,086,451	1,021,768	72,678	65,425	157,081	146,092	1,316,209	1,233,286
Long-Term Business Assets	809,583	854,640	22,669	18,965	18,734	18,998	850,986	892,603
Linked long term assets	5,540	6,548	15,903	16,621	105,053	120,700	126,497	143,869
Total Assets	1,901,574	1,882,956	184,012	181,375	280,868	285,791	2,366,454	2,350,122
Liabilities								
Shareholders liabilities (Takaful)			15,975	29,101			15,975	29,101
Total General insurance business liabilities	663,385	608,445	76,639	71,248	96,918	85,883	836,943	765,576
Long term business liabilities	739,589	775,108	22,165	21,036	156,322	174,242	918,076	970,386
Total Liabilities	1,402,974	1,383,553	114,779	121,385	253,241	260,125	1,770,994	1,765,063
Capital Resources ¹								
Eligible Paid-up ordinary shares	144,210	137,060	68,150	65,089	-	-	212,360	202,149
Total Tier 1 Capital	498,582	492,313	64,287	59,127	-	-	562,870	551,440
Total Capital Resources	264,505	282,566	58,196	50,329	23,138	21,684	345,839	354,579

Notes: Capital Resources in accordance with CBB rules.

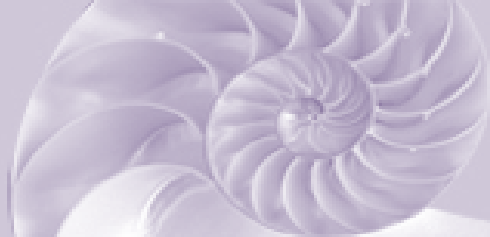


Table 5-2: Consolidated data of Insurance Firms – Income Statement

BD '000	Bahraini Insurance Firms (include Bahrain & Non-Bahrain business)				Overseas Insurance Firms		Total	
	Conventional		Takaful		2018	2017	2018	2017
	2018	2017	2018	2017				
Gross Premiums/Contributions	540,404	718,146	82,586	65,173	47,319	51,724	670,309	835,043
Reinsurance/Retakaful Ceded	121,670	201,693	27,071	21,762	17,344	14,626	166,084	238,080
Net Premiums/Contributions Written	418,734	516,454	55,515	43,411	29,976	37,098	504,225	596,963
Net Premiums/Contributions Earned	409,692	499,902	50,556	44,949	33,492	36,858	493,740	581,710
Total Underwriting Revenue	409,692	499,902	53,991	48,606	25,847	31,281	489,530	579,789
Total Claims and Expenses	446,650	526,202	53,683	49,369	27,037	29,206	527,369	604,776
Underwriting Profit (Loss)	(36,934)	(26,436)	308	(762)	(1,190)	2,075	(37,815)	(25,123)
Net Investment Income	155,942	160,557	438	470	2,645	2,543	159,025	163,570
Net Profit (Loss) of Conventional	1,812	22,113	-	-	2,649	4,742	4,461	26,855
Takaful Net Income								
Surplus (deficit) of Takaful Funds			746	(292)				
Profit (loss) of Shareholders Fund			3,183	1,282				

Notes: Results include both Bahrain and non-Bahrain business.

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