



Press Release

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Earnings of Nonlife Insurance Companies, First Half 2019

Nonlife insurance companies' preliminary net income for the first half of 2019 came to KRW1.4850 trillion, down KRW621.9 billion or 29.5% from the same period a year earlier. The magnitude of loss in insurance operation expanded KRW1.1453 trillion to KRW2.2585 trillion, but investment income grew KRW257.2 billion or 6.4% to KRW4.2927 trillion.

Table 1. Net Income of Nonlife Insurance Companies, First Half 2019*

	H1 2018	H1 2019	(In billions of KRW) Chng.
Net income	2,106.9	1,485.0	-621.9
Insurance income	-1,113.2	-2,258.5	-1,145.3
Investment income	4,035.5	4,292.7	257.2
Non-operating income	-58.1	-37.3	20.8
Corporate tax	757.3	511.9	-245.4

*The figures on H1 2019 are preliminary as of the release date and subject to change.

When it came to insurance income, long-term insurance reported KRW2.1263 trillion of loss, KRW513.2 billion greater than a year earlier. This was mostly because the amount of damages expanded KRW789.3 billion or 3.6%. Auto insurance income was minus KRW418.4 billion, down KRW415.3 billion from the previous year. Furthermore, general insurance income recorded KRW286.2 billion, down KRW216.8 billion or 43.1% from a year ago due to greater damages.

Table 2. Insurance Income of Nonlife Insurance Companies, First Half 2019*

	H1 2018	H1 2019	(In billions of KRW) Chng.
Insurance income	-1,113.2	-2,258.5	-1,145.3
Long-term insurance	-1,613.1	-2,126.3	-513.2
Auto insurance	-3.1	-418.4	-415.3
General insurance	503.0	286.2	-216.8

*The figures on H1 2019 are preliminary as of the release date and subject to change.

Direct written premium for the January-June period of 2019 came to KRW44.8912 trillion, up KRW1.9636 trillion or 4.6% from the same period a year earlier. When it came to long-term insurance, direct written premium grew KRW1.0939 trillion as protection-type insurance plans increased KRW1.8016 trillion based on continuous competitions for sales. In addition, auto insurance and general insurance increased KRW220.1 billion and KRW252.9 billion, respectively, from a year ago.



Table 3. Direct Written Premium of Nonlife Insurance Companies, First Half 2019¹

	H1 2018	H1 2019	Chng.
Direct written premium	42,927.6	44,891.2	1,963.6
Long-term insurance	25,066.8	26,160.7	1,093.9
Auto insurance ²	8,421.1	8,641.2	220.1
General insurance	4,838.8	5,091.7	252.9
Retirement pension and others ³	4,600.9	4,997.6	396.7

¹The figures on H1 2019 are preliminary as of release date and subject to change.

²Earnings for NH Property and Casualty Insurance to be included

³Retirement plan and personal pension to be included

As of end-June 2019, the aggregate assets of nonlife insurance companies came to KRW312.3271 trillion, up KRW28.2387 trillion or 9.9% from the same period a year earlier. To go into detail, liabilities grew KRW20.8221 trillion or 8.3% and shareholders' equity expanded KRW7.4166 trillion or 21.4%.

The return on assets (ROA) stood at 0.97% for the first six months of 2019, down 0.53%p from 1.50% a year ago. Furthermore, the return on equity (ROE) also sank from 12.04% to 7.40% during the period.

Table 4. Financial Status of Nonlife Insurance Companies, First Half 2019^{*}

	Jun 2018	Jun 2019	Chng.
Assets	284,088.4	312,327.1	28,238.7
Liabilities	249,381.1	270,203.2	20,822.1
Shareholders' equity	34,707.3	42,123.9	7,416.6

^{*}The figures on H1 2019 are preliminary as of the release date and subject to change.

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