



STATISTICS

Quarterly life insurance performance statistics - highlights

June 2021 (released 26 August 2021)

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Industry highlights for the year ended 30 June 2021

- For the year ended June 2021, the industry has reported a net profit of \$1.0 billion and a return on net assets of 3.8 per cent, a significant improvement from the previous year. This was primarily driven by the improved investment market performance, which led to an increase in investment revenue of \$7.2 billion over the year.
- Within risk products, Individual Lump Sum (LS) is the only category reporting a profit for the 12 months ended June 2021 (refer Table 2 and Chart 4). Individual Disability Income Insurance (IDII) recorded a loss of \$345.5 million during the year, which is a \$942.7 million improvement in comparison to the previous year's result. Results for Group LS and Group DII have also improved this year; however, both products continued to record losses of \$70.6 million and \$5.9 million respectively.
- The industry prescribed capital coverage ratio increased from 1.78x to 1.94x over the year (refer Chart 6), mainly driven by capital injections in response to the IDII capital charge that came into effect on 1 October 2020.

Table 1: Key performance metrics for the year ended 30 June

(in \$ billion, unless noted otherwise)

	Year ended 30 Jun 2020	Year ended 30 Jun 2021	Yearly Change
Net policy revenue	14.9	14.6	-2.1%
Investment revenue	-0.9	6.3	
Total revenue	15.9	21.7	36.2%
Net policy expenses	10.2	9.4	-8.2%
Operating expenses	8.0	7.0	-13.5%
Effective movement in net policy liabilities	0.6	3.3	481.8%
Total expenses	19.0	19.9	4.5%
Net profit after tax	-1.7	1.0	
Total assets	129.1	132.7	2.8%
Return on net assets	-6.6%	3.8%	10.4%
PCA coverage ratio	1.78x	1.94x	0.16x

Table 2: Risk products net profit after tax (NPAT) for the year ended 30 June

(in \$ million, unless noted otherwise)

	Year ended 30 Jun 2020	Year ended 30 Jun 2021	June Quarter 2021
Individual lump sum	429.1	403.1	278.0
Individual disability income insurance	-1,288.2	-345.5	-161.0
Group lump sum	-352.9	-70.6	24.7
Group disability income insurance	-249.1	-5.9	27.0
Total	-1,461.0	-18.8	168.7

Industry highlights for the quarter ended 30 June 2021

- For the June quarter, the industry made a modest profit of \$407.5 million, which was primarily driven by the strong equity and property market performance, resulting in an increase in investment revenue of \$4.1 billion.

Table 3: Key performance indicators for the quarter at a glance

(in \$ billion, unless noted otherwise)

	March 2021 Quarter	June 2021 Quarter	Quarterly Change
Net policy revenue	3.4	3.9	15.9%
Investment revenue	-1.0	3.1	
Total revenue	2.6	7.3	176.9%
Net policy expenses	2.2	2.2	0.2%
Operating expenses	1.6	1.9	17.8%
Effective movement in net policy liabilities	-1.4	2.3	
Total expenses	2.4	6.5	164.9%
Net profit after tax	0.2	0.4	156.1%
Total assets	129.5	132.7	2.5%
Return on net assets	2.4%	6.2%	3.8%
PCA coverage ratio	1.85x	1.94x	0.09x

Historical performance trends

Chart 1: Revenue, for year ended June 2017 to June 2021

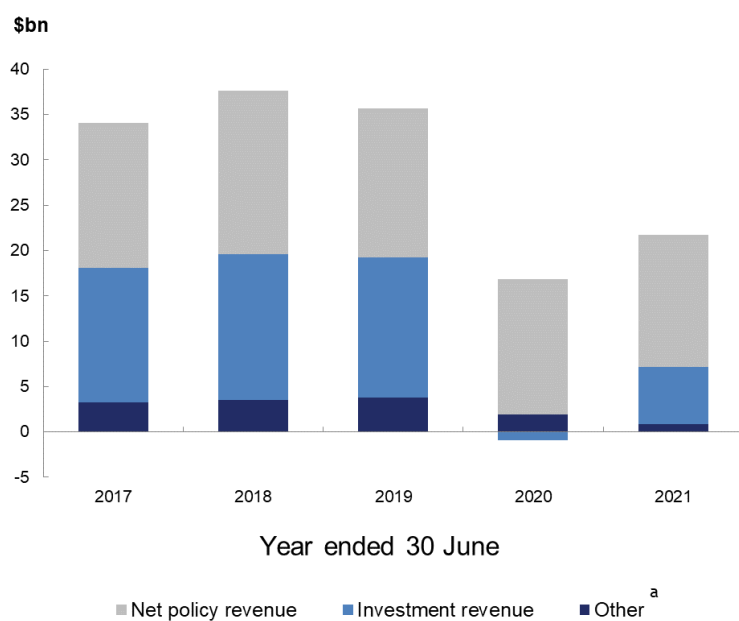


Chart 2: Operating expenses, for year ended June 2017 to June 2021

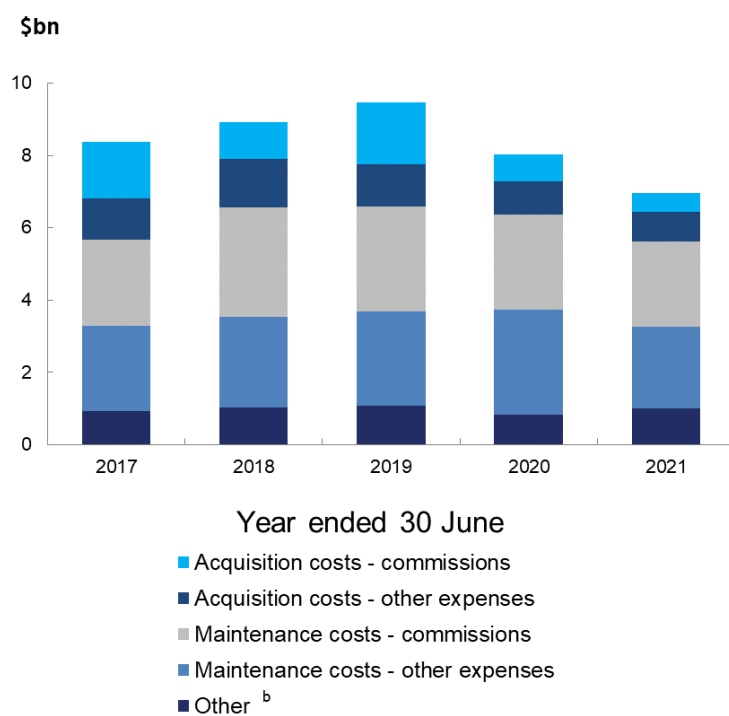


Chart 3: Profitability, for year ended June 2017 to June 2021

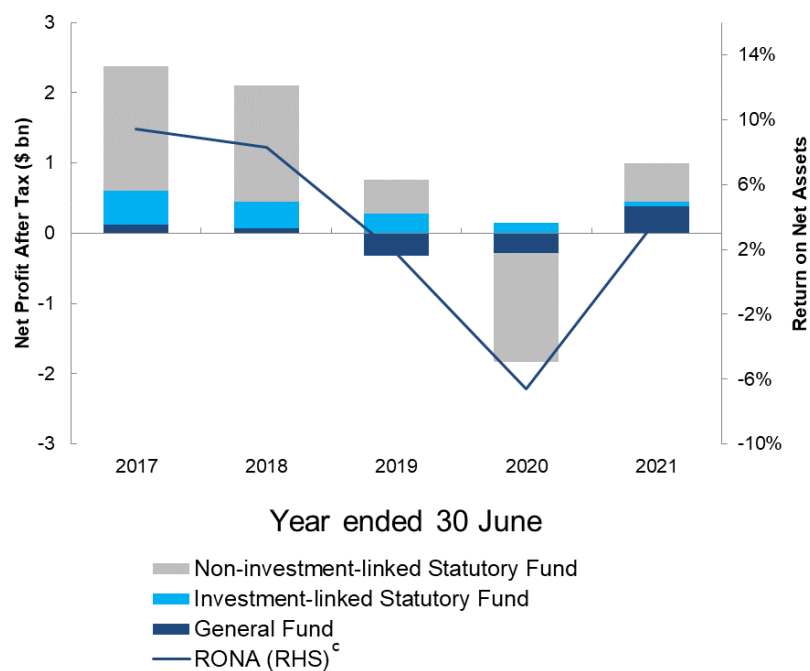


Chart 4: Net profit after tax for risk products, for year ended June 2017 to June 2021

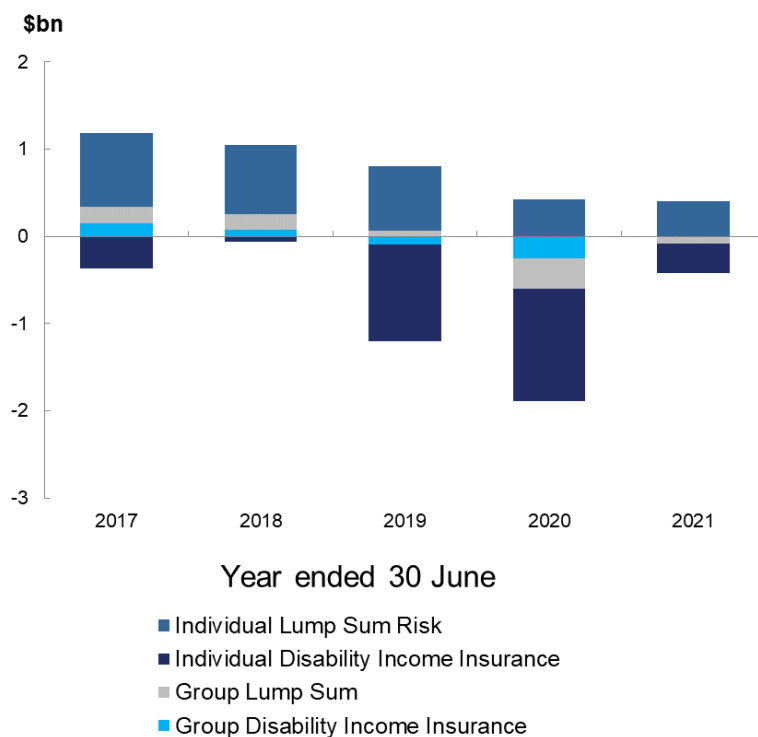


Chart 5: Non-investment linked assets, for year ended June 2017 to June 2021

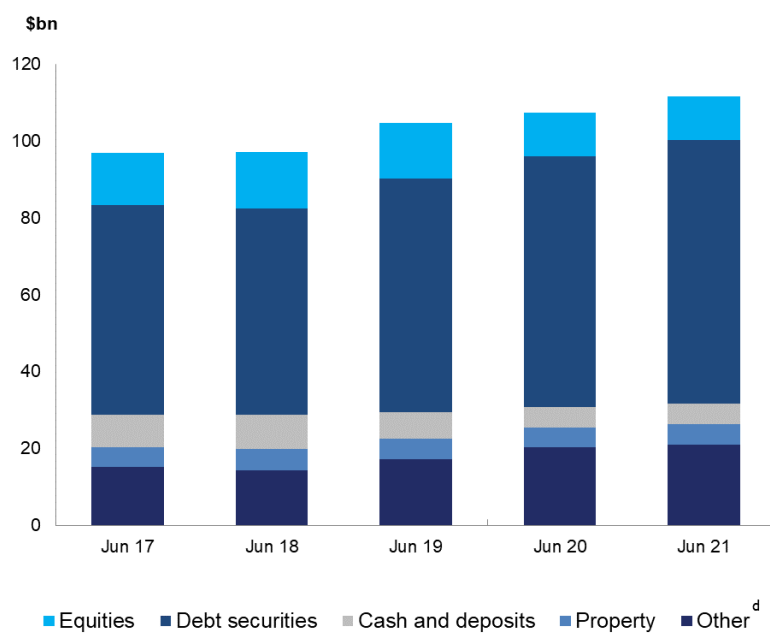
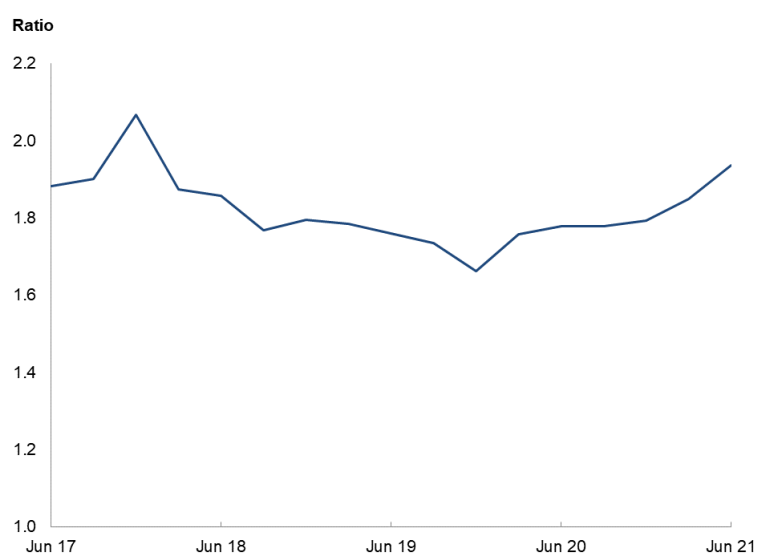


Chart 6: Prescribed capital amount coverage ratio, for year ended June 2017 to June 2021



^a Other comprises management service fees and other revenue

^b Other comprises investment management, net movement in deferred acquisition costs and other operating expenses.

^c See Return on net assets in the glossary.

^d Other comprises other investments, other assets and reinsurance policy liabilities.



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