



Release Date: 19 January 2012

Life Insurance Risk Market Inflows up 11.5% over the year from \$9.1bn to \$10.2bn.**1. Overview of Life Insurance Risk Market Inflows & Sales: 12 months to September 2011**

Premium Inflows increased 11.5% year on year. AIA Australia (33.6%), BT / Westpac (13.3%), TAL (13.0%), OnePath Australia (11.7%) and AMP (10.1%) all recorded double digit percentage growth rates.

Overall Sales in the Risk market were similarly up by 12.0% over the past year. MetLife Insurance (404.8%), off a low base, AIA (119.8%), Suncorp (21.6%), AMP (19.7%) and BT / Westpac (9.7%) achieved some of the best sales increases year on year.

The Life Insurance Risk Market is comprised of both Individual Risk Lump Sum & Risk Income Insurances plus Group Risk Insurance.

2. Individual Risk Lump Sum Market - Term Life, Total & Permanent Disablement and Trauma Insurance

Inflows into this sub-market grew by 10.1% with all companies reporting increases in business with in particular AIA (20.6%), Suncorp (11.8%), Zurich (11.5%), BT / Westpac (10.7%), TAL (10.2%) and Commlnsure (10.0%) experiencing some of the better percentage increases in Inflows year on year.

Actual Sales in this market were also up by a somewhat more moderate 7.9%. Suncorp (29.0%), AIA (19.9%), AMP (11.3%) and Commlnsure (10.6%) achieved the largest increases in Risk Lump Sum sales.

It is worth noting that the Individual Risk Lump Sum Insurance market has over recent years been significantly impacted by the unabated growth in the Housing market which is a significant factor in the source of new insurance.

3. Individual Risk Income Market – Income Protection or Sickness & Accident and Business Expenses Insurance

Risk Income Inflows increased 11.4% over the past year. Among the better performers in percentage terms were BT / Westpac (24.6%), AIA (17.5%), OnePath (17.3%), TAL (13.2%) and Zurich (10.3%).

New Sales in this sub-market jumped 19.5%. Above average annual sales growth was reported by TAL (46.8%), OnePath (34.0%), AIA (21.3%) and BT / Westpac (19.9%) however National Australia / MLC (-19.8%) saw its Risk Income sales fall.

The Individual Risk Income Insurance market is affected by both price and the profitability of the small business sector. This market supports small businesses and professionals by providing income replacement insurance in the event of Sickness or Accident.

4. Group Risk Market – Insurance component of Super Funds, Master Funds, Wrap Accounts also Credit Risk Insurance

Overall Group Risk Premium Inflows were up strongly by 13.7%. Most companies reported increases in business over the past twelve months with some of the better percentage increases achieved by AIA (38.6%), AMP (18.1%), TAL (15.3%) and OnePath (12.8%). However Suncorp (-66.0%) recorded a sharp drop in Group Risk Inflows due to SunSuper where it was replaced by AIA as the insurer.

Similarly Group Risk Sales jumped 14.5% year on year. MetLife (397.8%), AIA (172.8%), Zurich (141.6%) and AMP (47.4%) all experienced major percentage jumps in their Group Risk Sales. On the flip side TAL (-52.2%) and National Australia / MLC (-32.2%) saw theirs slide. However by way of clarification it should be noted that the MetLife and Zurich results were both off relatively low bases while in the case of AIA's and TAL's performances, these were largely a direct consequence of their previous years results; a big fall last year for AIA meant that this years result had only one way to go and that was up while for TAL it was the reverse situation. Given all of this it is worth reiterating that this is a very volatile segment of the overall Risk market due to the inherent ongoing cyclical remarketing nature of Group Risk business; sometimes you can win big but also there is the distinct possibility the opposite can occur.

This market is affected by trends in the stand-alone Corporate Superannuation market as well as Master Funds and Other Investment Platforms extending their services by providing risk insurance services.



Release Date: 19 January 2012

TABLES SECTION

1.1 Total Inflows By Risk Market

\$millions	Year Ended Sep-11	Annual Growth	Year Ended Sep-10	Annual Growth	Year Ended Sep-09
Individual Risk Lump Sum	4,897.5	10.1%	4,449.4	9.7%	4,054.3
Individual Risk Income	1,850.8	11.4%	1,661.7	11.7%	1,487.9
Group Risk	3,432.9	13.7%	3,018.3	15.1%	2,623.1
Total	10,181.2	11.5%	9,129.5	11.8%	8,165.3

1.2 Total Sales By Risk Market

\$millions	Year Ended Sep-11	Annual Growth	Year Ended Sep-10	Annual Growth	Year Ended Sep-09
Individual Risk Lump Sum	1,252.6	7.9%	1,161.2	3.4%	1,122.8
Individual Risk Income	449.4	19.5%	376.1	6.8%	352.3
Group Risk	870.1	14.5%	759.8	1.1%	751.7
Total	2,572.2	12.0%	2,297.1	3.2%	2,226.8

1.3 Total Risk Premium Inflows

\$millions	Year Ended Sep-11	Annual Growth	Market Share	Year Ended Sep-10	Market Share	Year Ended Sep-09	Market Share
AMP Group	1,646.9	10.1%	16.2%	1,496.5	16.4%	1,325.7	16.2%
National Australia / MLC Group	1,466.3	4.2%	14.4%	1,406.6	15.4%	1,262.9	15.5%
OnePath Australia Group	1,263.9	11.7%	12.4%	1,131.3	12.4%	1,010.2	12.4%
TAL Group	1,246.1	13.0%	12.2%	1,103.1	12.1%	783.8	9.6%
CommInsure Group	1,246.1	8.9%	12.2%	1,144.5	12.5%	1,161.7	14.2%
AIA Australia	1,078.0	33.6%	10.6%	806.6	8.8%	682.5	8.4%
Suncorp Group	618.2	-8.7%	6.1%	677.3	7.4%	642.8	7.9%
BT / Westpac Group	495.8	13.3%	4.9%	437.5	4.8%	392.5	4.8%
MetLife Insurance	270.3	5.6%	2.7%	255.8	2.8%	256.2	3.1%
Others	849.7	26.8%	8.4%	670.2	7.3%	646.9	8.0%
Total	10,181.2	11.5%	100.0%	9,129.5	100.0%	8,165.3	100.0%

1.4 Total Risk Premium Sales

\$millions	Year Ended Sep-11	Annual Growth	Market Share	Year Ended Sep-10	Market Share	Year Ended Sep-09	Market Share
AMP Group	379.7	19.7%	14.8%	317.3	13.8%	330.7	14.9%
OnePath Australia Group	329.6	6.5%	12.8%	309.6	13.5%	268.4	12.1%
TAL Group	309.9	-31.3%	12.0%	451.0	19.6%	212.1	9.5%
AIA Australia	291.1	119.8%	11.3%	132.4	5.8%	333.6	15.0%
CommInsure Group	289.9	6.8%	11.3%	271.5	11.8%	294.0	13.2%
National Australia / MLC Group	286.1	-15.8%	11.1%	339.8	14.8%	353.0	15.9%
BT / Westpac Group	133.8	9.7%	5.2%	122.0	5.3%	116.9	5.3%
MetLife Insurance	122.9	404.8%	4.8%	24.4	1.1%	25.9	1.2%
Suncorp Group	89.2	21.6%	3.5%	73.4	3.2%	71.3	3.2%
Others	340.0	32.9%	13.2%	255.8	11.1%	220.9	10.0%
Total	2,572.2	12.0%	100.0%	2,297.1	100.0%	2,226.8	100.0%



Release Date: 19 January 2012

2.1 Individual Risk Lump Sum Inflows

\$millions	Year Ended Sep-11	Annual Growth	Market Share	Year Ended Sep-10	Market Share	Year Ended Sep-09	Market Share
AMP Group	912.8	8.2%	18.6%	843.4	19.0%	768.2	18.9%
National Australia / MLC Group	783.9	4.3%	16.0%	751.4	16.9%	680.5	16.8%
Commlnsure Group	667.9	10.0%	13.6%	607.0	13.6%	550.0	13.6%
OnePath Australia Group	617.1	9.2%	12.6%	565.0	12.7%	503.0	12.4%
TAL Group	501.2	10.2%	10.2%	454.7	10.2%	403.2	9.9%
BT / Westpac Group	388.3	10.7%	7.9%	350.7	7.9%	320.6	7.9%
Suncorp Group	383.7	11.8%	7.8%	343.3	7.7%	317.5	7.8%
Zurich Group	172.3	11.5%	3.5%	154.5	3.5%	136.2	3.4%
AIA Australia	156.9	20.6%	3.2%	130.1	2.9%	107.7	2.7%
Others	313.4	25.8%	6.4%	249.1	5.6%	267.3	6.6%
Total	4,897.5	10.1%	100.0%	4,449.4	100.0%	4,054.3	100.0%

2.2 Individual Risk Lump Sum Sales

\$millions	Year Ended Sep-11	Annual Growth	Market Share	Year Ended Sep-10	Market Share	Year Ended Sep-09	Market Share
AMP Group	204.0	11.3%	16.3%	183.3	15.8%	165.7	14.8%
OnePath Australia Group	194.5	5.0%	15.5%	185.2	15.9%	165.9	14.8%
Commlnsure Group	169.2	10.6%	13.5%	152.9	13.2%	171.4	15.3%
National Australia / MLC Group	162.8	-6.2%	13.0%	173.6	15.0%	180.2	16.1%
TAL Group	128.2	-1.8%	10.2%	130.6	11.2%	122.5	10.9%
BT / Westpac Group	98.8	6.5%	7.9%	92.8	8.0%	89.8	8.0%
Suncorp Group	53.9	29.0%	4.3%	41.8	3.6%	40.2	3.6%
Zurich Group	41.9	5.9%	3.3%	39.6	3.4%	32.2	2.9%
AIA Australia	34.6	19.9%	2.8%	28.9	2.5%	26.2	2.3%
Others	164.8	24.3%	13.1%	132.6	11.4%	128.8	11.5%
Total	1,252.6	7.9%	100.0%	1,161.2	100.0%	1,122.8	100.0%



Release Date: 19 January 2012

3.1 Individual Risk Income Inflows

\$millions	Year Ended Sep-11	Annual Growth	Market Share	Year Ended Sep-10	Market Share	Year Ended Sep-09	Market Share
National Australia / MLC Group	381.3	2.8%	20.6%	370.9	22.3%	338.9	22.8%
AMP Group	369.1	7.3%	19.9%	344.1	20.7%	325.2	21.9%
Commlnsure Group	227.9	8.7%	12.3%	209.6	12.6%	188.4	12.7%
OnePath Australia Group	205.2	17.3%	11.1%	174.9	10.5%	152.4	10.2%
Suncorp Group	180.4	3.3%	9.7%	174.6	10.5%	164.3	11.0%
TAL Group	159.0	13.2%	8.6%	140.5	8.5%	128.3	8.6%
BT / Westpac Group	105.3	24.6%	5.7%	84.5	5.1%	68.9	4.6%
AIA Australia	90.3	17.5%	4.9%	76.9	4.6%	63.9	4.3%
Zurich Group	57.9	10.3%	3.1%	52.5	3.2%	47.1	3.2%
St Andrew's Group *	46.8	246.5%	2.5%	13.5	0.8%		0.0%
Others	27.8	39.5%	1.5%	19.9	1.2%	10.5	0.7%
Total	1,850.8	11.4%	100.0%	1,661.7	100.0%	1,487.9	100.0%

3.2 Individual Risk Income Sales

\$millions	Year Ended Sep-11	Annual Growth	Market Share	Year Ended Sep-10	Market Share	Year Ended Sep-09	Market Share
AMP Group	75.3	14.3%	16.8%	65.9	17.5%	62.9	17.9%
National Australia / MLC Group	68.5	-19.8%	15.2%	85.4	22.7%	88.2	25.1%
OnePath Australia Group	66.7	34.0%	14.8%	49.7	13.2%	45.0	12.8%
Commlnsure Group	48.4	6.4%	10.8%	45.5	12.1%	45.9	13.0%
St Andrew's Group *	45.1	303.0%	10.0%	11.2	3.0%		0.0%
TAL Group	42.5	46.8%	9.5%	29.0	7.7%	30.5	8.6%
BT / Westpac Group	35.0	19.9%	7.8%	29.2	7.8%	27.1	7.7%
Suncorp Group	22.6	10.7%	5.0%	20.4	5.4%	18.7	5.3%
AIA Australia	20.8	21.3%	4.6%	17.2	4.6%	14.1	4.0%
Zurich Group	14.4	16.6%	3.2%	12.3	3.3%	12.1	3.4%
Others	10.1	-1.7%	2.3%	10.3	2.7%	7.7	2.2%
Total	449.4	19.5%	100.0%	376.1	100.0%	352.3	100.0%

* Following its takeover by Bank of Queensland, St Andrews Life recategorised circa 60% of its business as Risk Income. At the same time it also recategorised most of it as being Single not Annual/Regular Premium in nature; this boosted its relative New Sales figures.



Release Date: 19 January 2012

4.1 Group Risk Inflows

\$millions	Year Ended Sep-11	Annual Growth	Market Share	Year Ended Sep-10	Market Share	Year Ended Sep-09	Market Share
AIA Australia	830.9	38.6%	24.2%	599.6	19.9%	510.9	19.5%
TAL Group	585.9	15.3%	17.1%	508.0	16.8%	252.3	9.6%
OnePath Australia Group	441.6	12.8%	12.9%	391.4	13.0%	354.8	13.5%
AMP Group	365.0	18.1%	10.6%	309.0	10.2%	232.3	8.9%
CommInsure Group	350.3	6.8%	10.2%	327.9	10.9%	423.4	16.1%
National Australia / MLC Group	301.1	5.9%	8.8%	284.3	9.4%	243.5	9.3%
MetLife Insurance	252.0	4.9%	7.3%	240.3	8.0%	241.2	9.2%
Suncorp Group	54.1	-66.0%	1.6%	159.4	5.3%	161.0	6.1%
Macquarie Life	22.9	6.1%	0.7%	21.6	0.7%	14.3	0.5%
Others	229.1	29.5%	6.6%	176.9	5.9%	189.4	7.2%
Total	3,432.9	13.7%	100.0%	3,018.3	100.0%	2,623.1	100.0%

4.2 Group Risk Sales

\$millions	Year Ended Sep-11	Annual Growth	Market Share	Year Ended Sep-10	Market Share	Year Ended Sep-09	Market Share
AIA Australia	235.6	172.8%	27.1%	86.4	11.4%	293.3	39.0%
TAL Group	139.2	-52.2%	16.0%	291.4	38.4%	59.2	7.9%
MetLife Insurance	113.4	397.8%	13.0%	22.8	3.0%	24.9	3.3%
AMP Group	100.4	47.4%	11.5%	68.2	9.0%	102.1	13.6%
CommInsure Group	72.4	-1.0%	8.3%	73.1	9.6%	76.8	10.2%
OnePath Australia Group	68.5	-8.3%	7.9%	74.7	9.8%	57.5	7.6%
National Australia / MLC Group	54.8	-32.2%	6.3%	80.8	10.6%	84.5	11.2%
Zurich Group	13.1	141.6%	1.5%	5.4	0.7%	3.6	0.5%
Suncorp Group	12.6	14.0%	1.5%	11.1	1.5%	12.5	1.7%
Others	60.1	30.7%	6.9%	45.9	6.0%	37.6	5.0%
Total	870.1	14.5%	100.0%	759.8	100.0%	751.7	100.0%



Release Date: 19 January 2012

About the Media Release

Plan For Life, Actuaries and Researchers, are pleased to provide the Media Release on Life Insurance Risk Products Industry Results for the year to September 2011, based on data sourced from Life Insurance Companies.

The Life Insurance Industry is analysed using the statistic "Premium Inflow", which is defined as In Force Premium at the end of the reported period, plus Single Premiums during the reported period. This is very similar to the statistic "New Inflows", used in the Funds Management Industry, and means that Life Insurance Companies can be assessed in a similar fashion to other fund managers.

The Statistics provided in this Report represent funds that flow through Life Companies' Statutory Funds, and as such exclude funds that flow through Unit Trusts and Master Funds. Consequently this Report concentrates on the market shares held within the Life Industry Funds, and not the overall Retail Funds Industry.

For the balance of this report it is important not to read too much into some of the reductions in business as some companies may have a deliberate strategy of getting rid of unprofitable business and moving funds from Life Office products to Trust based products (ie non-life insurance based). We can provide more details, in specific cases, on request.

Data Collection and Estimation Techniques

This Report is based wherever possible on data collected directly from the various Life Companies; prior to 1998, a part of the data is based on that collected by the Insurance and Superannuation Commission (now APRA), to whom acknowledgment is given. The majority of Companies now provide data to Plan for Life at least 6 monthly, as well as 3 monthly in the case of the major Companies. Where Companies no longer maintain quarterly statistics, estimates based on previous trends have been used; these have no material effect on the overall quality of the data.

Disclaimer and Conditions of Use

Plan For Life has taken all reasonable care to ensure that data contained in this Report is accurate, fair, reasonable and balanced; no responsibility is taken for the manner in which the statistics and analysis are subsequently used. This Report is provided as an information service to Companies and Advisers in the Financial Services industry and is not suitable to be acted upon as investment advice. It is advisable to obtain investment advice before making any investment decisions relying on the information provided. Reference to this Report may be made provided the source is clearly indicated as follows: "Media Release Life Insurance Risk Products Industry Results - September 2011, Plan For Life".

Products and Services

Plan For Life provides a number of different data applications and analyses based on the quarterly data collection.

- | | |
|----------------------------------|---|
| 1) Retail Data | 5) Customer Segmentation Analysis |
| 2) Wholesale Data | 6) Forecasts & Projections |
| 3) Mezzanine Data | 7) Master Fund Product Databases and Comparator |
| 4) Distribution Channel Analyses | 8) Life Insurance Statistics |

Further Information:

Simon Solomon Actuary

Email: ssolomon@planforlife.com.au

Ph: 03 9886 4400

Mail: PO Box 2398 Mt Waverley VIC 3149

Daniel Morris Senior Manager

Email: dmorris@planforlife.com.au

Website: <http://www.planforlife.com.au>

Street: 217 Blackburn Road, Mt Waverley VIC 3149