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TOKIO MARINE
MIDDLE EAST

ISLAMIC INSURANCE

The new growth sector

24 November 2008

BRUNEI ROUNDTABLE

Global Finance and Investments

The Empire Hotel & Country Club, Brunei

Importance of takaful to Islamic Financial services

- Takaful growth : 15% to 25% pa
- Conventional growth: under 5% pa
- Takaful system is ethical, fair and for good of society

International players entering takaful and retakaful market

Tokio Marine
AIG, HSBC Allianz, Prudential

Tokio Marine Re
Swiss Re, Hannover Re, Munich Re

Local takaful companies:

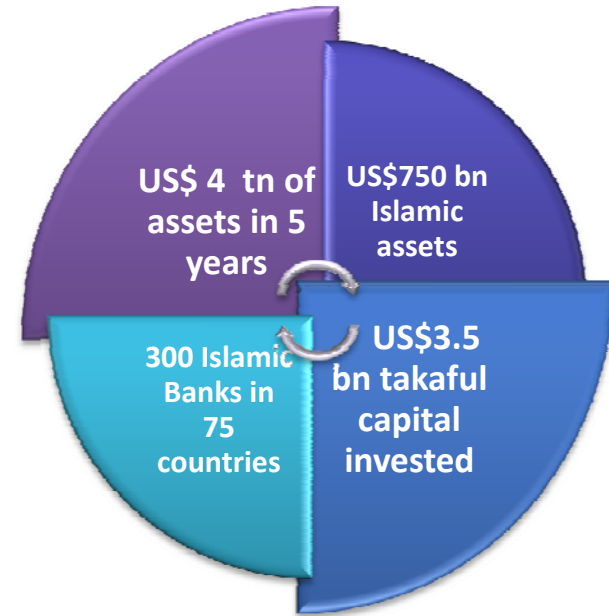
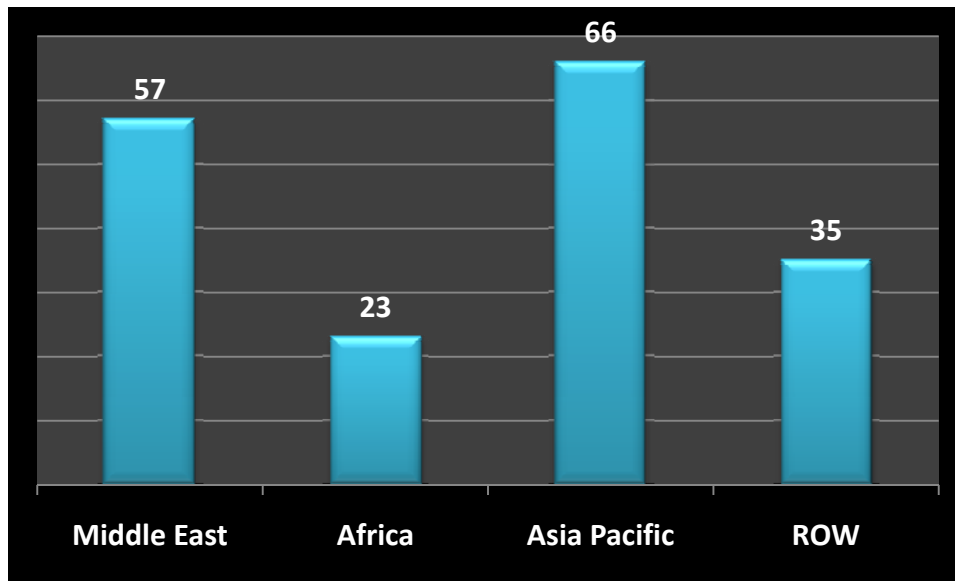
UK, UAE, Kuwait, Qatar, Saudi Arabia, Bahrain, Yemen, Iran, Egypt, Jordan, Syria, Lebanon, Pakistan, Sri Lanka, Bangladesh, Sudan, Senegal, Tunisia, Malaysia, Singapore, Brunei, Mauritius

Local takaful windows:

UK, Singapore, Thailand, Australia, Sri Lanka, Ghana, Niger, Lebanon, Indonesia,

Extraordinary level of activity since 2003

Position as at January 2008
Number of Takaful Companies

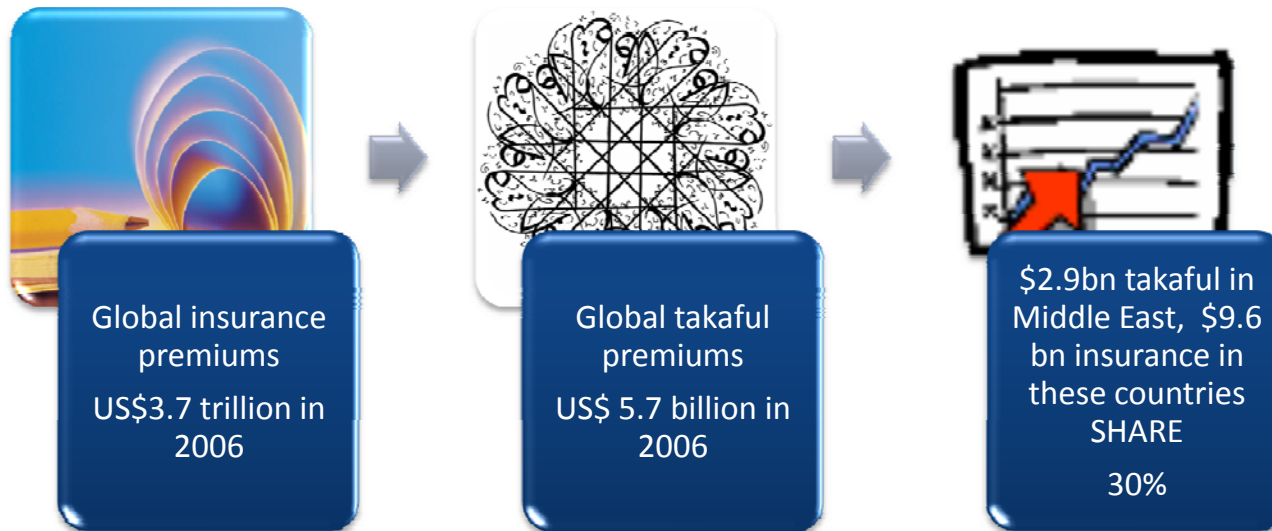


% share	
• ME	31%
• Africa	13%
• Asia	36%
• ROW	19%
• Total	

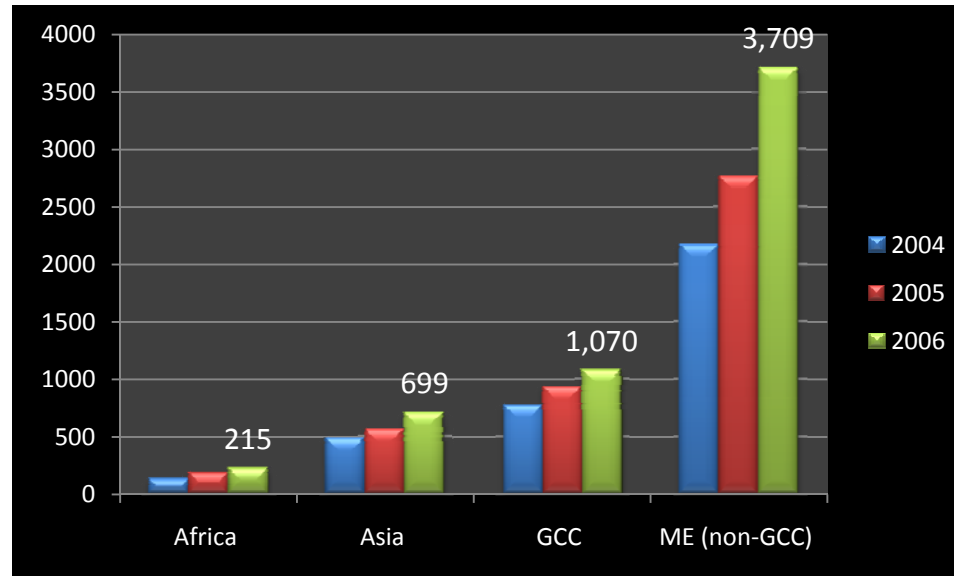
Windows	
•	0%
•	9%
•	38%
•	29%
•	20%

Total	
• Takaful Companies	181
• Countries in which takaful is available:	27

World Insurance v Takaful Industry ...comparing like for like

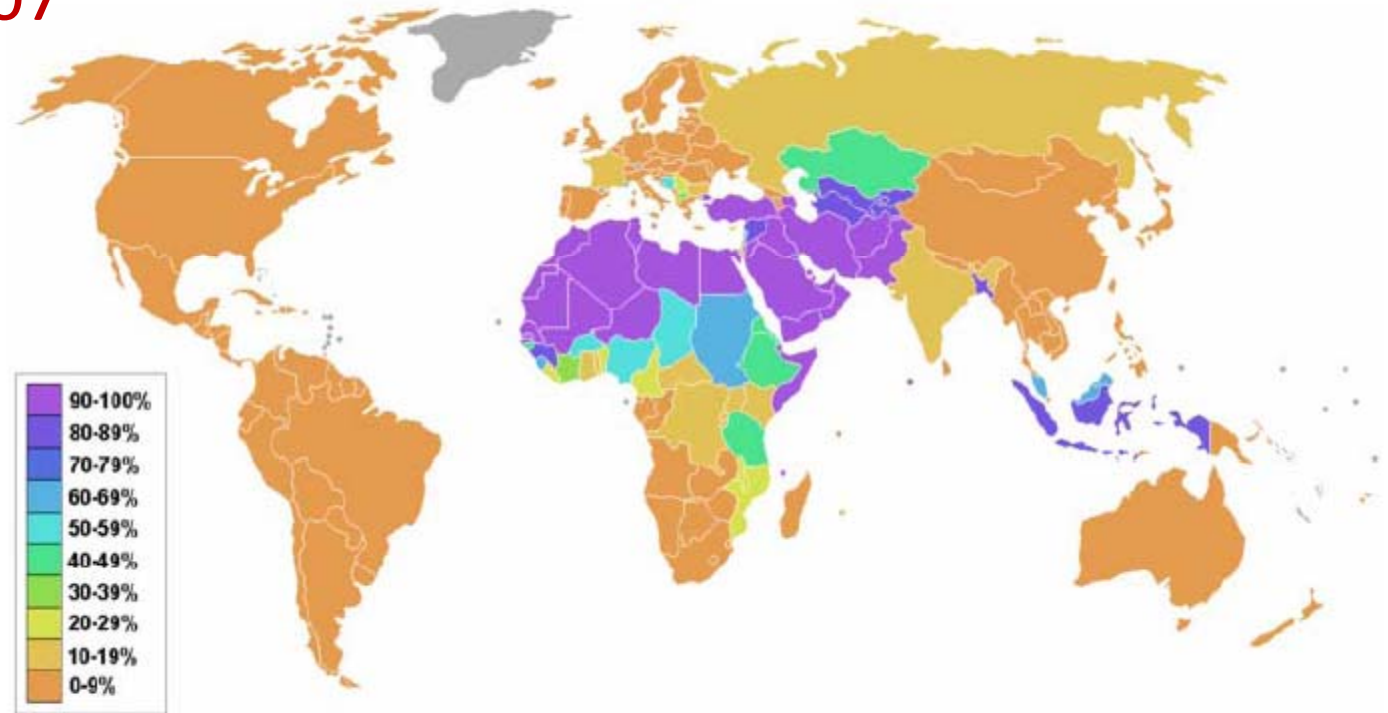


Global Takaful Contributions US\$5.69 billion in 2006



Growth	Africa	Asia	GCC	ME (non)	Total
<ul style="list-style-type: none"> • 2004/05 • 2005/06 	<ul style="list-style-type: none"> • 50% • 19% 	<ul style="list-style-type: none"> • 17% • 25% 	<ul style="list-style-type: none"> • 21% • 15% 	<ul style="list-style-type: none"> • 27% • 34% 	<ul style="list-style-type: none"> • 25% • 28%

Global Muslim Population 2007



Growing Middle Classes, Improving Human Development.....

Bankable / insurable 30% means 500 million Muslim customers....

No. of countries	Continent	Population in 2007	Percentage Muslim	Muslim Popn 2007
56	Africa	861.2	53.6%	461.8
51	Asia	3,830.5	30.4%	1,163.9
42	Europe	727.4	7.3%	53.2
2	North America	323.1	2.1%	6.8
38	South America	539.6	0.6%	3.1
16	Oceania	32.1	1.9%	0.6
205	Total	6,313.9	26.8%	1,689.3

Source: Islamicpopulation.com, CIA Fact Sheet, Arab Net, AME Info, Islamic News Agencies, US Center For World Mission Report

Human Development

Ranking amongst 177 countries: Source UNDP

The **Human Development Index (HDI)** is the normalized measure of life expectancy, literacy, education, standard of living, and GDP per Capita. It is a standard means of measuring well-being, especially child welfare. It is used to determine and indicate whether a country is a developed, developing or is underdeveloped. It is also used to measure the impact of economic policies on quality of life.

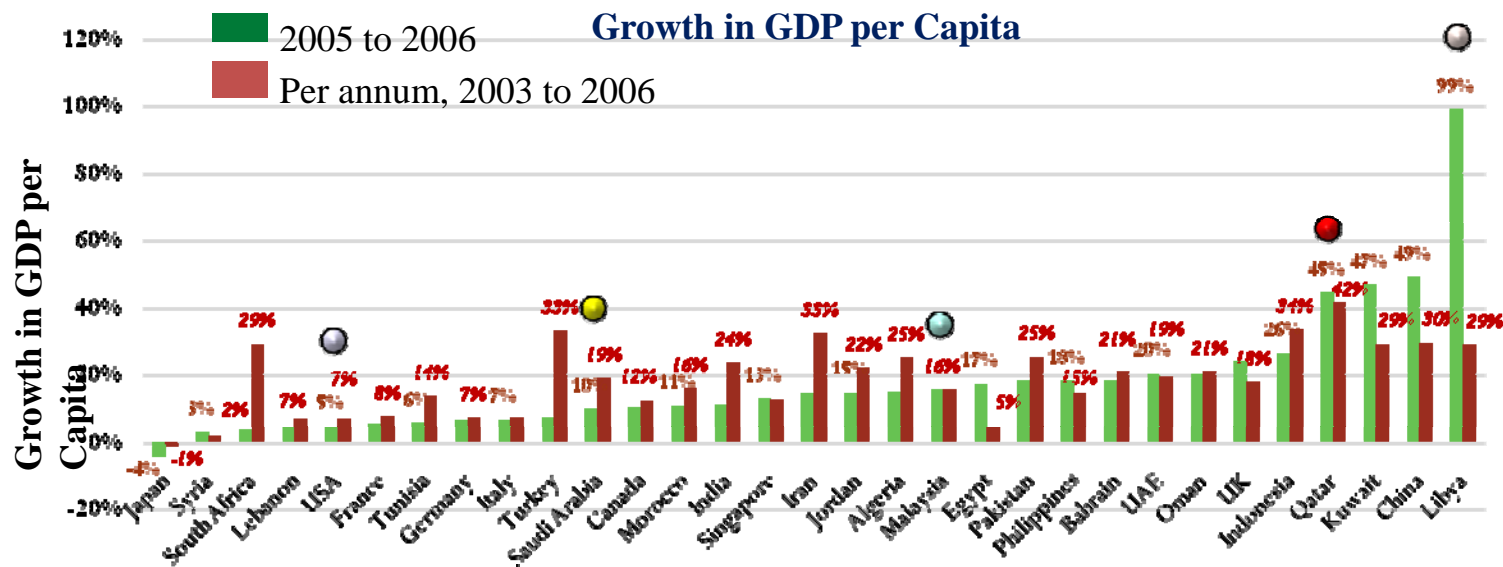
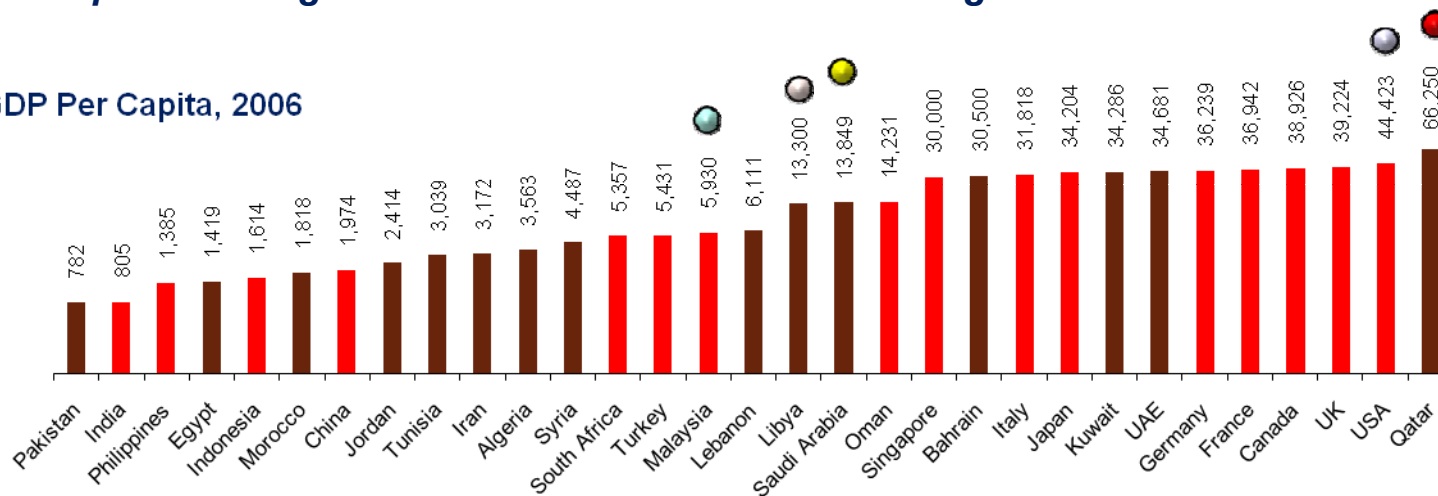
Human Development Index: **HIGH =1 to 70** **MEDIUM = 71 to 155** **LOW = 156 to 177**

	2002	2007	Moving Places		2002	2007	Moving Places
Middle East				Asia			
Saudi Arabia	77	61	16	China	94	81	13
Oman	74	58	16	India	127	128	-1
Qatar	47	35	12	Indonesia	111	107	4
Kuwait	44	33	11	Pakistan	142	136	6
Bahrain	40	41	1	Malaysia	59	63	-4
UAE	49	39	10	Thailand	76	78	-2
Turkey	88	84	4	Kazakhstan	78	73	5
Syria	106	108	-2				
Iran	101	94	7	EU and Americas			
				Belgium	6	17	-11
Africa				France	16	10	6
Egypt	120	112	8	Germany	19	22	-3
Libya	58	56	2	UK	12	16	-4
Algeria	108	104	4	Russia	57	67	-10
Tunisia	92	91	1	USA	8	12	-4

Insurance Affordability: GDP

GDP Per Capita and its growth from 2005 to 2006 and annual growth since 2003

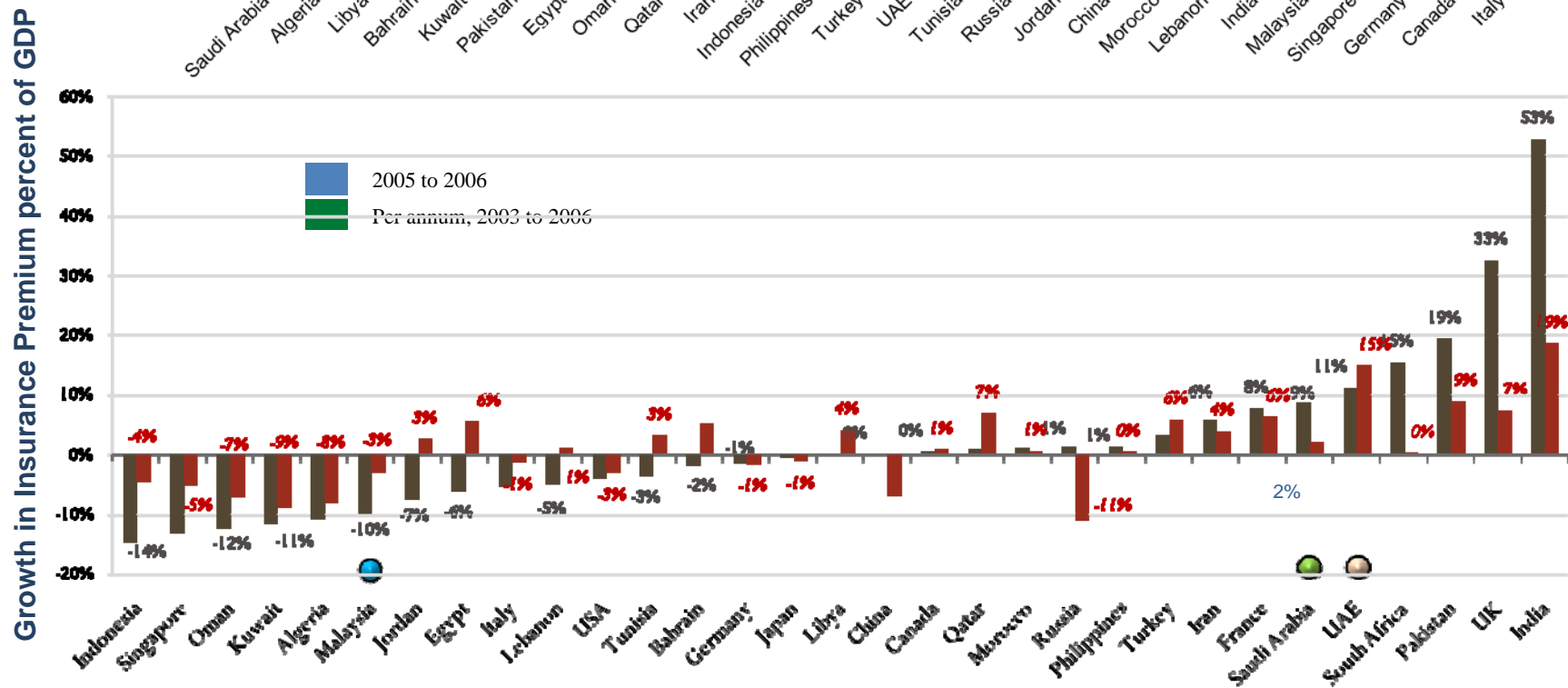
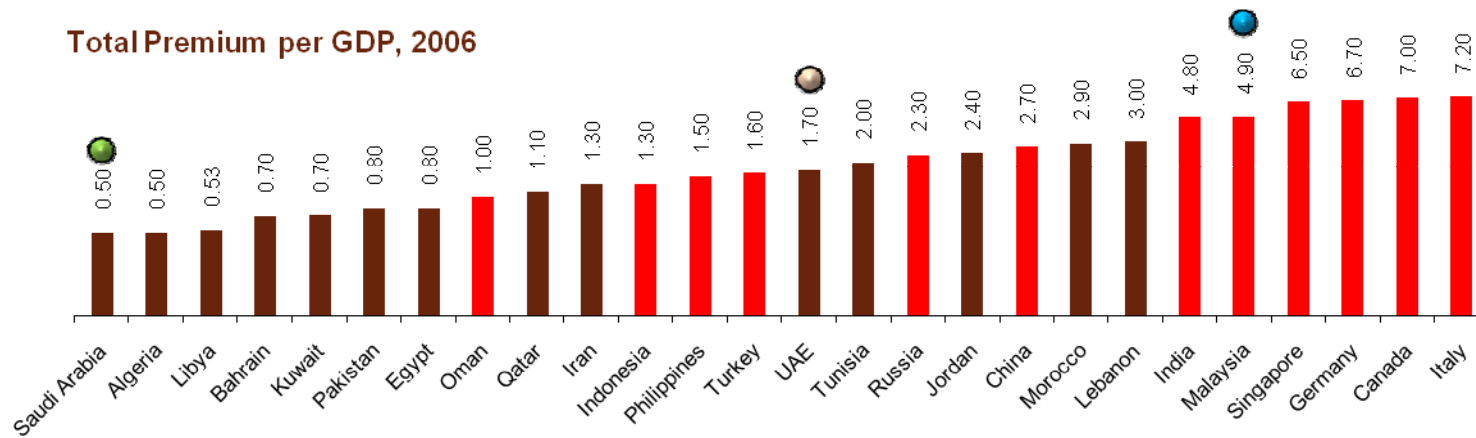
GDP Per Capita, 2006



Insurance Penetration

Insurance premium % GDP and its growth 2005 to 2006 and annual growth since 2003

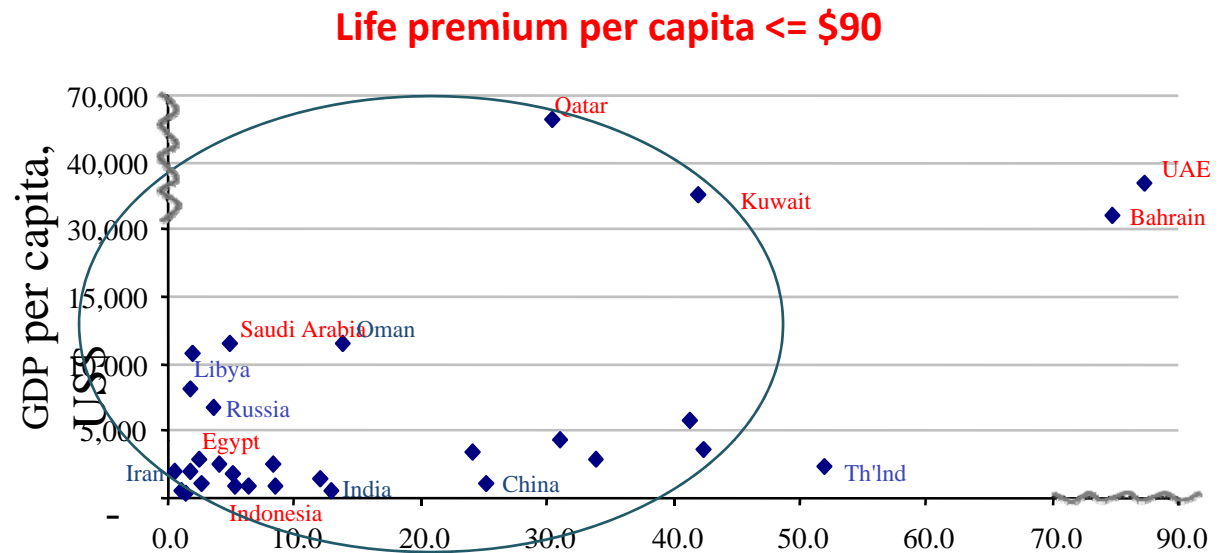
Total Premium per GDP, 2006



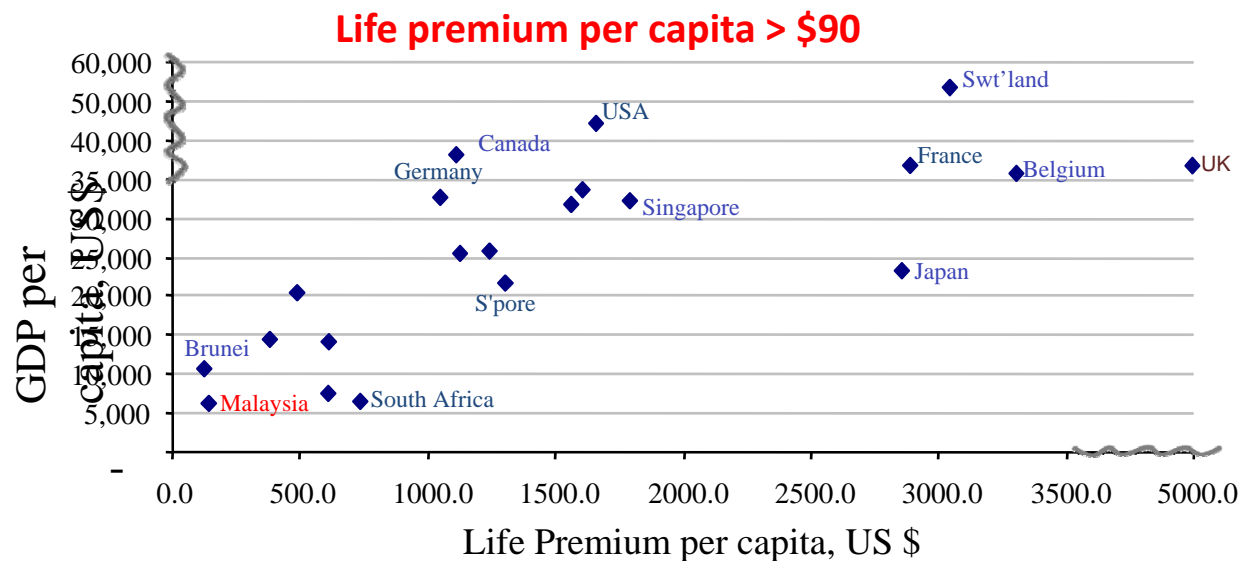
GDP versus Life Insurance Premium Per capita

2006

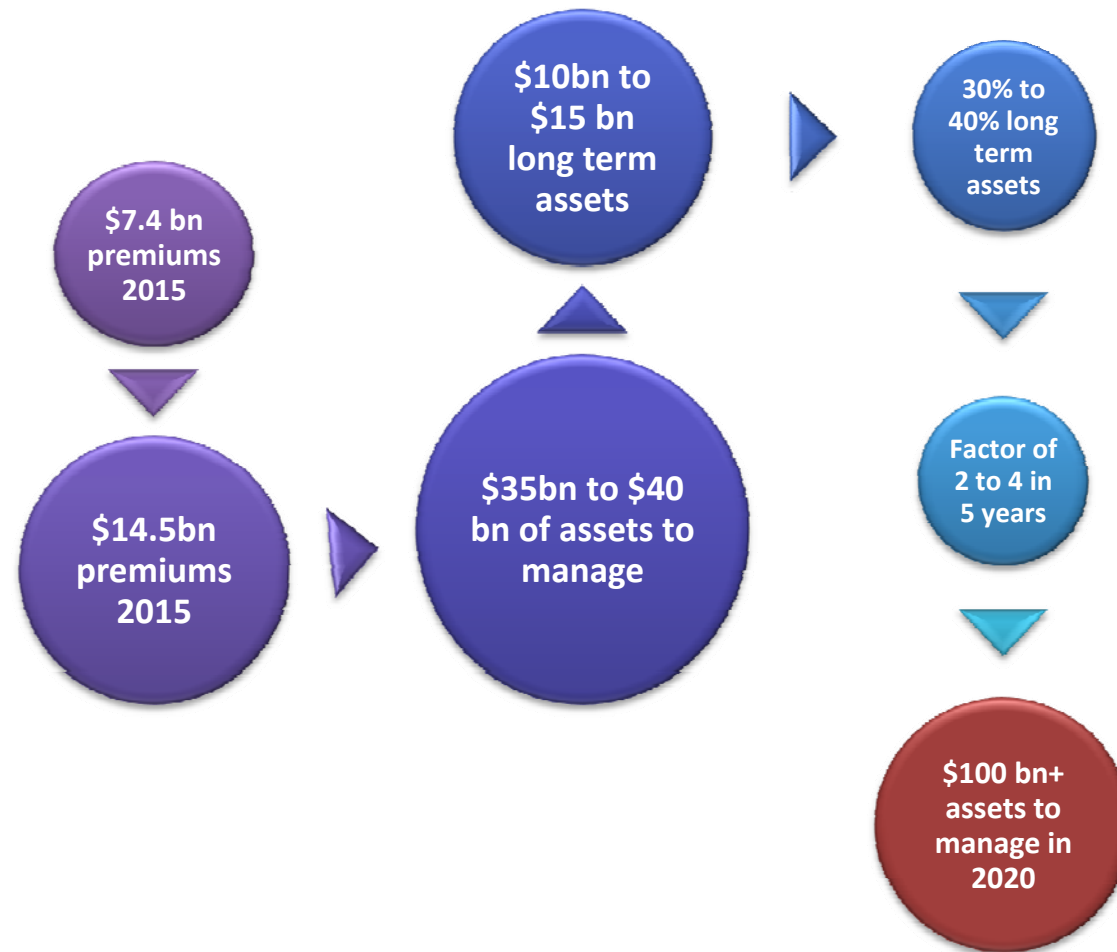
Low life insurance penetration,
High GDP per capita
offers most potential in
generating new takaful premiums



High life insurance penetration,
High GDP per capita
is amongst countries with
promising potential for takaful
as there is greater awareness
for insurance within fiscal and
regulatory environment



Global Takaful Size – 2015 estimated



Key Caveat: Regulatory support, Shariah authenticity and Management knowhow is the key. The Management and Board (with regulatory support) must create and support development of truly Shariah compliant structures and not just profit centers for Shareholders.

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