

## **Sovereign records growth in life business**

Friday, 18 August 2006

Sovereign's latest results show that it has performed strongly in the life insurance sector.

Sovereign has reported a record after tax profit of \$102.6 million, up 27%, for the year ending 30 June 2006.

During the year it increased our new risk annual premiums by 9% to \$51.7 million lifting our 12-month rolling average market share by just under 1% to 32.7%.

In force annual risk premiums increased by 13% to \$316 million. This growth increased our share of the annual risk premium in force business to 31.4%.

"In the risk area, Sovereign's long established partnerships with the country's leading independent financial advisers, combined with our focus on value-for-money, innovative products is strengthening our market position," it says.

Sovereign's health insurance business increased in force annual premiums by 14% to \$50.7 million.

"New Zealanders are continuing to realise the wisdom of insuring against the cost of major medical care whilst paying their primary care costs out of their own pocket.

"This has resulted in a clear market trend away from comprehensive medical cover to the kinds of major medical products that Sovereign offers."

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