



Sun Life Malaysia eyes top 10 ranking by 2015

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KUALA LUMPUR: Sun Life Malaysia, a joint venture between Canada-based Sun Life Financial Inc and Khazanah Nasional Bhd, aims to gain market share and break into the top 10 of the country's life insurance rankings by 2015, and achieve high double-digit growth in new business premiums.

The group, which comprises Sun Life Malaysia Assurance Bhd and Sun Life Malaysia Takaful Bhd, currently has a market share of 2.7%, placing it 12th. But it plans to develop a multiple distribution channel strategy to boost its ranking to eighth by 2015.

Sun Life Malaysia expects its conventional and takaful business to record combined annualised first-year premiums of RM148 million for 2013, RM205 million in 2014 and RM255 million in 2015, respectively.

"If we recognise single premiums in full, that would translate to RM640 million this year and RM758 million in 2014," Sun Life Malaysia Assurance CEO Ooi Say Teng told reporters at the launch of Sun Life Malaysia here yesterday.

Sun Life Malaysia Assurance is the conventional life insurance unit of Sun Life Malaysia.

Yesterday's launch comes four months after the RM1.8 billion acquisition of CIMB Aviva Assurance Bhd and CIMB Aviva Takaful Bhd by Sun Life and Khazanah from Aviva International Holdings Ltd and CIMB Group Holdings Bhd. CIMB Group will continue to hold a 2% share in the new venture.

The centrepiece of Sun Life Malaysia's distribution strategy is its exclusive bancassurance agreement with CIMB Bank Bhd whereby it is able to distribute its products and services through the bank's extensive network of branches that

incorporates seven million customers across the country as well as its collaboration with Khazanah where its excellent track record of strategic can be utilised.

"We aim to introduce a wider range of insurance solutions targeted at addressing the different needs of Malaysians and to deliver value and excellent service to our customers," said Ooi.

He said Sun Life Malaysia plans to have up to 300 financial services consultants, a new sales team within the bank who are dedicated advisers trained in insurance selling and knowledge.

"We are rolling out products that customers can buy with confidence and introducing new distribution channels that make it easier for customers to access our products at their convenience. Sun Life Malaysia's products are readily available at all CIMB branches across the country," Ooi added.

Sun Life Financial Asia president Kevin Strain (pix) sees a lot of opportunities in the Malaysian insurance market and its entry would help boost Sun Life's global footprint.

"We are very excited to enter Malaysia, particularly with Khazanah and CIMB as our partners," said Strain.

Malaysia marks the seventh Asian market for Sun Life, which has been operating in the region for 120 years.

Sun Life Malaysia's launch is also a significant one for Khazanah, which views the investment as a cornerstone to the build-out of a global insurance platform. In July, Khazanah announced the acquisition of a majority stake in Acibadem Sigorta Insurance in Turkey as part of this build-out.

Khazanah strategy management unit executive director and head Farouk Mohammed said the state-owned investment company will continue to look for new assets in all sectors if the right opportunity arises.