

Life insurer posts big gain

N.O.-based firm earns \$19.2 million in '06

By Mary Judice
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Pan-American Life Insurance Co. reported a \$19.2 million change in equity for 2006, even as the company was reorganized. Insurance companies report their earnings as a change in equity.

In 2005, the company reported a loss of \$4.5 million.

The New Orleans based-life insurance company said revenue increased 8 percent to \$262.4 million, from \$242.2 million in 2005.

The company reported a 50 percent increase in life insurance sales last year, which hit record levels. In the international market, sales were up 85 percent; in the Latin American market, sales rose 26 percent. And total capital reached a record \$312.7 million.

"We have definitely strengthened our capital base and in-

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International sales strong for insurer

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creased our operating flexibility, and we expect that the continuing turnaround that began in 2005 will position us well for our future growth plans," said Jose Suquet, the company's president and chief executive.

Last year, the company announced the shift from a mutual

company to a mutual holding company, which the company said would give it greater access to capital markets and allow it to grow through acquisitions.

A mutual company is owned by its policyholders, and a mutual holding company issues stocks to its policyholders. The holding company can issue different types of debt and hybrid

securities as well as sell a minority share of the company to outside investors.

The company has no plans to issue stock to the public, but the conversion gives it that option.

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