

Performance for the nine months ended December 31, 2021

- 66% growth in Value of New Business (VoNB)* to ₹ 25.9 billion
- VoNB Margin* improved by 470 bps to 25.5%
- Private Market leadership in Individual Rated Premium (IRP) of ₹ 90.7 billion with 24.8% share
- Strong growth in Protection New Business Premium of 26% to ₹ 20.4 billion
- Strong growth in Individual New Business Premium of 43% to ₹ 116.1 billion
- 22% growth in Individual New Business Sum Assured
- 13th month persistency ratio⁵ improved by 49 bps to 83.87%
- Robust Solvency ratio of 2.09
- Assets under Management (AuM) crossed mark of ₹ 2.5 trillion with 23% growth

Key measures of performance

Particulars	(₹ in billion)		
	9M FY 2022	9M FY 2021	YoY
Revenue Parameters			
New Business Premium (NBP)	187.9	144.4	30%
Renewal Premium (RP)	224.6	201.7	11%
Gross Written Premium (GWP)	412.5	346.1	19%
Individual New Business Premium	116.1	81.3	43%
Individual Rated Premium (IRP)	90.7	65.8	38%
New Business Annualized Premium Equivalent (APE)	101.7	74.8	36%
Total Protection NBP (Individual + Group)	20.4	16.2	26%
Total Protection NBP Share	10.9%	11.2%	-
Private Market Share based on IRP ¹	24.8%	23.4%	-
NBP Product mix (%) (Par/Non Par/ULIP)	3/53/44	5/57/38	-
NBP Channel mix (%) (Banca/Agency/others)	51/17/32	55/15/30	-
Financial Parameters			
Profit after Tax (PAT)	8.3	9.2	-10%
Net Worth	112.0	101.3	11%
Assets under Management (AuM)	2,568.7	2,095.0	23%

* On Effective Tax Rate basis

§ On Premium basis

Particulars	9M FY 2022	9M FY 2021	YoY
IEV, VoNB and VoNB Margin²			
Indian Embedded Value (IEV)	NA	NA	-
Value of New Business (VoNB)	22.3	14.5	54%
New Business Margin (VoNB Margin)	21.9%	19.3%	-
VoNB and VoNB Margin using effective tax rate^{2 & 7}			
Indian Embedded Value (IEV)	NA	NA	-
Value of New Business (VoNB)	25.9	15.6	66%
New Business Margin (VoNB Margin)	25.5%	20.8%	-
Key Financial Ratios			
Operating expense ratio ³	5.1%	5.1%	-
Commission ratio ⁴	3.5%	3.4%	-
Total cost ratio ⁵	8.7%	8.5%	-
Persistency Ratios - Premium Basis (Regular Premium/ Limited Premium payment under individual category)⁶			
13 th month persistency	83.87%	83.38%	-
25 th month persistency	76.43%	75.89%	-
37 th month persistency	71.87%	70.80%	-
49 th month persistency	68.30%	63.82%	-
61 st month persistency	48.68%	52.49%	-
Persistency Ratios - Premium Basis (Single Premium/ Fully paid-up under individual category)⁶			
13 th month persistency	100.00%	100.00%	-
25 th month persistency	100.00%	100.00%	-
37 th month persistency	100.00%	100.00%	-
49 th month persistency	100.00%	100.00%	-
61 st month persistency	100.00%	100.00%	-
Solvency Ratio	2.09	2.34	-
Return on Equity (RoE) (Annualized)	10.3%	13.0%	-

1. Source: Life insurance council

2. VoNB and VoNB margin for 9M FY22 and 9M FY21 are based on management estimates.

3. Operating expense ratio = Operating expenses / Gross Written Premium (GWP)

4. Commission ratio = Commission (including rewards) / Gross Written Premium (GWP)

5. Total cost ratio = (Operating expenses + Commission + Provision for doubtful debt and bad debt written off) /GWP

6. The persistency ratios are calculated as per IRDA/ACT/CIR/GEN/21/02/2010 circular dated February 11, 2010 and IRDAI circular no. IRDAI/F&A/CIR/MISC/256/09/2021 dated September 30, 2021.

Persistency Ratios for the period ended December 31, 2021 and December 31, 2020 are 'Up to the Quarter' Persistency Ratios are calculated using policies issued in December to November period of the relevant years.

7. Effective tax rate assumes that a proportion of the projected profits are tax exempt on account of tax deductions available on income from dividends and tax free bonds.

8. NA – Not available

N.B: Refer the section on definitions, abbreviations and explanatory notes

The Board of Directors of SBI Life Insurance Company Limited approved and adopted its unaudited financial results for the quarter and nine months ended December 31, 2021, following its meeting on Friday, January 21, 2022 in Mumbai. The disclosure of financial results submitted to exchanges is annexed to this release.

Business growth and market share

- The Company has achieved private market leadership in Individual Rated Premium of ₹ 90.7 billion with 24.8% private market share in 9M FY 22.
- Strong growth in Individual New Business Premium by 43% to ₹ 116.1 billion in 9M FY 22.
- New Business Premium (NBP) has grown by 30% to ₹ 187.9 billion in 9M FY 22 driven by strong growth in regular premium business by 36%.
- Protection New Business Premium has increased by 26% from ₹ 16.2 billion in 9M FY 21 to ₹ 20.4 billion in 9M FY 22 due to 27% y-o-y growth in individual protection business to ₹ 6.2 billion and 26% y-o-y growth in group protection business to ₹ 14.2 billion in 9M FY 22.
- Gross Written Premium (GWP) has grown by 19% to ₹ 412.5 billion in 9M FY 22 mainly due to 36% growth in First Year Premium (FYP) and 11% growth in Renewal Premium (RP) in 9M FY 22.

Distribution network

- The Company has strong distribution network of 194,177 trained insurance professionals consisting of agents, CIFs and SPs along with widespread operations with 947 offices across country.
- The Company has diversified distribution network comprising of strong bancassurance channel, agency channel and others comprising of corporate agents, brokers, micro agents, common service centers, insurance marketing firms, web aggregators and direct business.
- NBP channel mix for 9M FY 22 is bancassurance channel 51%, agency channel 17% & other channels 32%.
- NBP of Agency channel has increased by 46% to ₹31.98 billion in 9M FY22 and NBP of Banca channel has increased by 22% to ₹96.35 billion in 9M FY22 as compared to same period last year.

Cost Efficiency

- Total Cost ratio for 9M FY 22 is 8.7% vis-à-vis 8.5% for 9M FY 21
 - Commission ratio for 9M FY 22 is 3.5% vis-à-vis 3.4% for 9M FY 21
 - Operating Expense for 9M FY 22 is 5.1% vis-à-vis 5.1% in 9M FY 21

Profitability

- Profit after Tax (PAT) stands at ₹ 8.3 billion for 9M FY 22.
- Value of New Business (VoNB) increased by 54% to ₹ 22.3 billion in 9M FY 22.
- VoNB margin increased by 260 bps from 19.3% in 9M FY 21 to 21.9% in 9M FY 22.
- VoNB increased by 66% to ₹ 25.9 billion for 9M FY 22 (on effective tax rate).
- VoNB margin increased by 470 bps to 25.5% in 9M FY 22 (on effective tax rate).
- Additional reserve of ₹ 2.7 billion towards COVID-19 pandemic has been kept as at December 31, 2021.

Persistency

- 13th month persistency (based on premium considering Single Premium and Fully Paid-up policies & group business where persistency is measurable) is 87.17% in 9M FY22 vs 86.17% in 9M FY21.
- Improvement in 13th month persistency (based on premium considering Regular Premium/ Limited Premium payment under individual category) by 49 bps to 83.87% for 9M FY 22 vs. 83.38% in 9M FY 21 due to our focus on improving the quality of business and customer retention.

Assets under Management & Investment Income

- AuM grew by 23% from ₹ 2,095.0 billion as on December 31, 2020 to ₹ 2,568.7 billion as on December 31, 2021 with debt-equity mix of 71:29. Over 96% of the debt investments are in AAA and Sovereign instruments.

Financial position

- The Company's net worth increased by 11% from ₹ 101.3 billion as on December 31, 2020 to ₹ 112.0 billion as on December 31, 2021.
- Strong solvency ratio as on December 31, 2021 of 2.09 as against the regulatory requirement of 1.50.

Definitions, abbreviations and explanatory notes

- **New Business Premium (NBP):** Insurance premium that is due in the first policy year of a life insurance contract or a single lump sum payment from the policyholder.
- **Annualized Premium Equivalent (APE):** The sum of annualized first year premiums on regular premium policies, and 10% of single premiums, written by the Company during the fiscal year from both retail and group customers.
- **Individual New Business Premium:** Insurance premium that is due in the first policy year of an individual life insurance contract.
- **Individual Rated Premium (IRP):** New business premiums written by the Company under individual products and weighted at the rate of 10% for single premiums.
- **Renewal Premium:** Life insurance premiums falling due in the years subsequent to the first year of the policy.
- **Embedded Value:** The measure of the consolidated value of shareholders' interest in the covered life insurance business, which is all life insurance business written by the Company since inception and in-force as on the valuation date (including lapsed business which have the potential of getting revived). The Embedded Value of the Company has been determined on the basis of the Indian Embedded Value (IEV) Methodology calculated as per APS 10 set forth by the Institute of Actuaries of India (IAI).
- **Value of New Business (VoNB):** VoNB is the present value of expected future earnings from new policies written during a specified period and it reflects the additional value to shareholders expected to be generated through the activity of writing new policies during a specified period.
- **Value of New Business Margin / VoNB Margin:** VoNB Margin is the ratio of VoNB to New Business Annualized Premium Equivalent for a specified period and is a measure of the expected profitability of new business.
- **Solvency Ratio:** Solvency ratio means ratio of the amount of Available Solvency Margin to the amount of Required Solvency Margin as specified in form-KT-3 of IRDAI Actuarial Report and Abstracts for Life Insurance Business Regulations.
- **Net worth:** Net worth represents the shareholders' funds and is computed as sum of share capital and reserves including share premium, share application money and fair value change account net of debit balance in profit and loss account.

About SBI Life Insurance

SBI Life Insurance ('SBI Life' / 'The Company'), one of the most trusted life insurance companies in India, was incorporated in October 2000 and is registered with the Insurance Regulatory and Development Authority of India (IRDAI) in March 2001.

Serving millions of families across India, SBI Life's diverse range of products caters to individuals as well as group customers through Protection, Pension, Savings and Health solutions.

Driven by 'Customer-First' approach, SBI Life places great emphasis on maintaining world class operating efficiency and providing hassle-free claim settlement experience to its customers by following high ethical standards of service. Additionally, SBI Life is committed to enhance digital experiences for its customers, distributors and employees alike.

SBI Life strives to make insurance accessible to all, with its extensive presence across the country through its 947 offices, 18,498 employees, a large and productive individual agent network of about 135,902 agents, 64 corporate agents, a widespread bancassurance network of 14 partners, more than 29,000 partner branches, 110 brokers and other insurance marketing firms.

In addition to doing what's right for the customers, the company is also committed to provide a healthy and flexible work environment for its employees to excel personally and professionally.

SBI Life strongly encourages a culture of giving back to the society and has made substantial contribution in the areas of child education, healthcare, disaster relief and environmental upgrade. In 2020-21, the Company touched over 4.30 lakh direct beneficiaries through various CSR interventions.

Listed on the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE'), the company has an authorized capital of ₹ 20.0 billion and a paid up capital of ₹ 10.0 billion. The AuM is ₹ 2,568.7 billion.

For more information, please visit our website-www.sbilife.co.in and connect with us on Facebook, Twitter, YouTube, Instagram, and LinkedIn.

(Numbers & data mentioned above are for the period ended December 31, 2021)

Disclaimer

Except for the historical information contained herein, statements in this release which contain words or phrases such as 'will', 'expected to', etc., and similar expressions or variations of such expressions may constitute 'forward-looking statements'. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results, opportunities and growth potential to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to, the actual growth in demand for insurance and other financial products and services in the countries that we operate or where a material number of our customers reside, our ability to successfully implement our strategy, including our use of the Internet and other technology our exploration of merger and acquisition opportunities, our ability to integrate mergers or acquisitions into our operations and manage the risks associated with such acquisitions to achieve our strategic and financial objectives, our growth and expansion in domestic and overseas markets, technological changes, our ability to market new products, the outcome of any legal, tax or regulatory proceedings in India and in other jurisdictions we are or become a party to, the future impact of new accounting standards, our ability to implement our dividend policy, the impact of changes in insurance regulations and other regulatory



changes in India and other jurisdictions on us. SBI Life Insurance Company Limited undertakes no obligation to update forward looking statements to reflect events or circumstances after the date thereof.

This release does not constitute an offer of securities.

For investor queries please call Sangramjit Sarangi at + 91 22 6191 0281 or email investorrelations@sbilife.co.in

For further press queries please call Santosh Setty at +91-22-6191 0034 / Minakshi Mishra at +91-22-6191 0140 or email santosh.setty@sbilife.co.in / minakshi.mishra@sbilife.co.in

(₹1 billion = ₹ 100 crore)