

Performance for the year ended March 31, 2021

- New Business Premium at ₹ 206.2 bn; growth of 24% with private market share of 21.9%
- Renewal Premium at ₹ 296.3 bn; growth of 23% with strong 13th month persistency at 87.92% and 61st month persistency at 61.63%
- Gross written premium (GWP) crosses ₹ 500 billion mark
- Private market leadership in Individual Rated Premium (IRP) with 22.6% market share
- Assets under Management (AuM) grew by 38% to ₹ 2.2 trillion
- Operating cost efficiency further strengthen from 5.9% to 4.8%
- New Business Margin increased by 170 bps to 20.4%
- Value of New Business registered growth of 16% amounting to ₹ 23.3 bn
- Indian Embedded Value (IEV) grew by 27% to ₹ 333.9 bn
- Interim dividend of ₹ 2.5 per share with a strong solvency ratio of 2.15

Key measures of performance

(₹ in billion)

Particulars	FY 2021	FY 2020	Y-o-Y Growth
Revenue Parameters			
New Business Premium (NBP)	206.2	165.9	24%
Renewal Premium (RP)	296.3	240.4	23%
Gross Written Premium (GWP)	502.5	406.3	24%
Individual New Business Premium	125.0	112.4	11%
Individual Rated Premium (IRP)	102.2	97.7	5%
New Business Annualized Premium Equivalent (APE)	114.5	107.4	7%
Total Protection NBP (Individual + Group)	24.6	20.8	18%
Total Protection NBP Share	11.9%	12.5%	-
Private Market Share based on IRP ¹	22.6%	23.2%	-
NBP Product mix (%) (Par/Non Par/ULIP)	5/54/41	7/44/49	-
NBP Channel mix (%) (Banca/Agency/others)	56/17/27	60/20/20	-
Financial Parameters			
Profit after Tax (PAT)	14.6	14.2	2%
Net Worth	104.0	87.4	19%

Particulars	FY 2021	FY 2020	Y-o-Y Growth
Assets under Management (AuM)	2,208.7	1,603.6	38%
IEV, VoNB and VoNB Margin			
Indian Embedded Value (IEV) ²	333.9	262.9	27%
IEV per Share (in ₹) (IEV / Number of Shares)	333.8	262.9	-
Value of New Business (VoNB) ²	23.3	20.1	16%
VoNB per Share (in ₹) (VoNB / Number of Shares)	23.3	20.1	-
New Business Margin (VoNB Margin) ²	20.4%	18.7%	-
IEV, VoNB and VoNB Margin using effective tax rate⁷			
Indian Embedded Value (IEV) ²	364.0	276.4	32%
IEV per Share (in ₹) (IEV / Number of Shares)	364.0	276.4	-
Value of New Business (VoNB) ²	26.6	22.2	20%
VoNB per Share (in ₹) (VoNB / Number of Shares)	26.6	22.2	-
New Business Margin (VoNB Margin) ²	23.2%	20.7%	-
Key Financial Ratios			
Operating expense ratio ³	4.8%	5.9%	-
Commission ratio ⁴	3.5%	4.0%	-
Total cost ratio ⁵	8.3%	9.9%	-
Persistency Ratios (based on premium)⁶			
13 th month persistency	87.92%	86.14%	-
25 th month persistency	79.39%	78.53%	-
37 th month persistency	74.08%	71.56%	-
49 th month persistency	68.07%	67.30%	-
61 st month persistency	61.63%	59.90%	-
Solvency Ratio	2.15	1.95	-
Return on Equity (RoE)	15.2%	17.4%	-

1. Source: Life insurance council

2. IEV, VoNB and VoNB Margin for FY21 and FY20 have been reviewed by Independent Actuary

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/MISC/035/01/2014 circular dated 23rd January 2014. Single Premium and Fully Paid-Up policies are considered in above calculation. Group Business where persistency is measurable is included. Persistency Ratios for the year ended March 31, 2021 and March 31, 2020 are 'Up to the Quarter' Persistency Ratios are calculated using policies issued in March to February 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.

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 audited financial results for the quarter and year ended March 31, 2021, following its meeting on Monday, May 03, 2021 in Mumbai. The disclosure of financial results submitted to exchanges is annexed to this release.

Business growth and market share

- Gross written premium has increased by 24 % to cross ₹ 500 billion mark. The increase in GWP is mainly due to strong growth in RP by 23% from ₹ 240.4 billion in FY 2020 to ₹ 296.3 billion FY 2021.
- New Business Premium (NBP) has increased by 24% from ₹ 165.9 billion in FY 2020 to ₹ 206.2 billion in FY 2021.
- The Company has achieved market leadership in NBP with 21.9% private market share in FY 2021.
- The Company has also achieved market leadership with IRP of ₹ 102.2 billion securing 22.6% private market share in FY 2021.

Cost Efficiency

- Total Cost ratio has decreased to 8.3% in FY 2021, from 9.9% in FY 2020.
- Commission ratio has decreased to 3.5% in FY 2021 from 4.0% in FY 2020.
- Operating Expense has decreased to 4.8% in FY 2021, from 5.9% in FY 2020.

Profitability

- Value of New Business (VoNB) increased by 16% to ₹ 23.3 billion in FY 2021.
- VoNB margin increased by 170 bps from 18.7% in FY 2020 to 20.4% in FY 2021.
- Value of New Business (VoNB) increased by 20% to ₹ 26.6 billion for FY 2021 (with effective tax rate).
- Profit after Tax (PAT) grew by 2% in FY 2021 to ₹14.6 billion from ₹14.2 billion in FY 2020.

Persistency

- Strong 13th month persistency of 87.92% in FY 2021 as compared to 86.14% in FY 2020.
- Strong 37th month persistency of 74.08% in FY 2021 as compared to 71.56% in FY 2020.
- 61st month persistency has improved to 61.63% in FY 2021 as compared to 59.90% in FY 2020.

Assets under Management

AuM has grown by 38% from ₹ 1,603.6 billion as on March 31, 2020 to ₹ 2,208.7 billion as on March 31, 2021 with debt-equity mix of 73:27 and more than 90% of the debt investments are in AAA and Sovereign instruments.

Financial position

- The Company's net worth increased by 19% from ₹ 87.4 billion as on March 31, 2020 to ₹ 104.0 billion as on March 31, 2021.
- The Solvency ratio as on March 31, 2021 was at 2.15 as against the regulatory requirement of 1.50.

Distribution network

- The Company has strong distribution network of 225,381 trained insurance professional and 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 FY 2021 is bancassurance channel 56%, agency channel 17%, and other channels 27%.

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
- **New Business 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
- **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, 17,464 employees, a large and productive individual agent network of about 170,096 agents, 57 corporate agents, a widespread bancassurance network of 14 partners, more than 28,000 partner branches, 107 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 ₹ 2,208.7 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 year ended March 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)