

October 19, 2018

SBIL/F&A-CS/NSE-BSE/1819/402

Assistant Vice President,
Listing Department,
National Stock Exchange of India,
Exchange Plaza,
Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra(East),
Mumbai 400051.

General Manager,
Listing Department,
BSE Limited,
Phiroze Jejeebhoy Towers,
Dalal Street,
Mumbai 400001.

Dear Sir / Madam,

Subject: Outcome of Board meeting held on October 19, 2018

- A) Approval of audited financial results for the half year ended September 30, 2018

We wish to inform you that the meeting of the Board of Directors of the Company commenced at 05:30 p.m. and concluded at 07:15 p.m. on October 19, 2018 which *inter-alia* has approved the audited financial results for the half year ended September 30, 2018.

Pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and other applicable requirements, a copy of the audited financial results for the half year ended September 30, 2018; together with the Audit Report in the prescribed format is enclosed.

- B) Appointment of Key Managerial Personnel (Company Secretary)

We wish to inform you that the Board of Directors of the Company has appointed Mr. Nimesh Bakul Maniyar (Mem. No. 38665) as Key Managerial Personnel (Company Secretary) of the Company with immediate effect.

We request to you to kindly take the above information on record.

Thanking You,

Yours faithfully,



Chief Financial Officer

Encl: A/a

SBI Life Insurance Company Limited
Statement of Audited Financial Results for the quarter and half year ended September 30, 2018

(₹ in Lakhs)

| Sl. No. | Particulars | Three months ended/ As at | | | Half year ended/ As at | | Year ended/ As at March 31, 2018 (Audited) |
|---------------------------|---|------------------------------|---------------------------|------------------------------|------------------------------|------------------------------|--|
| | | September 30, 2018 (Audited) | June 30, 2018 (Unaudited) | September 30, 2017 (Audited) | September 30, 2018 (Audited) | September 30, 2017 (Audited) | |
| POLICYHOLDERS' A/C | | | | | | | |
| 1 | Gross premium income | | | | | | |
| | (a) First Year Premium | 2,22,192 | 1,20,965 | 2,03,903 | 3,43,158 | 3,21,086 | 8,13,936 |
| | (b) Renewal Premium | 4,18,893 | 2,68,264 | 2,97,152 | 6,87,158 | 4,95,955 | 14,38,805 |
| | (c) Single Premium | 1,27,462 | 86,667 | 44,951 | 2,14,129 | 1,07,771 | 2,82,678 |
| 2 | Net premium income ¹ | 7,66,155 | 4,75,452 | 5,38,457 | 12,41,607 | 9,14,715 | 25,16,007 |
| 3 | Income from investments (Net) ² | 1,96,103 | 2,09,528 | 2,33,568 | 4,05,631 | 4,94,235 | 8,45,625 |
| 4 | Other income | 1,569 | 1,572 | 1,399 | 3,141 | 3,284 | 6,858 |
| 5 | Transfer of funds from Shareholders' A/c | - | - | - | - | - | 7,564 |
| 6 | Total (2 to 5) | 9,63,827 | 6,86,552 | 7,73,424 | 16,50,379 | 14,12,234 | 33,76,054 |
| 7 | Commission on | | | | | | |
| | (a) First Year Premium | 18,525 | 11,232 | 17,811 | 29,757 | 28,606 | 70,455 |
| | (b) Renewal Premium | 11,676 | 7,200 | 8,415 | 18,876 | 13,809 | 39,384 |
| | (c) Single Premium | 1,724 | 1,157 | 515 | 2,881 | 840 | 2,248 |
| 8 | Net Commission ¹ | 31,924 | 19,589 | 26,741 | 51,514 | 43,255 | 1,12,087 |
| 9 | Operating Expenses related to insurance business (a + b): | 51,541 | 45,936 | 42,378 | 97,477 | 79,531 | 1,71,884 |
| | (a) Employees remuneration and welfare expenses | 29,788 | 29,265 | 24,648 | 59,053 | 47,230 | 95,820 |
| | (b) Other operating expenses | 21,753 | 16,672 | 17,730 | 38,425 | 32,301 | 76,064 |
| 10 | Expenses of Management (8+9) | 83,465 | 65,525 | 69,119 | 1,48,991 | 1,22,786 | 2,83,971 |
| 11 | Provisions for doubtful debts (including bad debts written off) | 18 | 46 | 54 | 64 | 66 | 46 |
| 12 | Provisions for diminution in value of investments and provision for standard assets | 933 | (395) | 977 | 537 | 1,089 | 506 |
| 13 | Service tax/ GST on charges ³ | 10,577 | 8,668 | 8,217 | 19,246 | 13,851 | 34,717 |
| 14 | Provision for taxes | 3,904 | 15,479 | 3,680 | 19,383 | 15,834 | 23,800 |
| 15 | Benefits Paid ⁴ (Net) | 2,76,803 | 2,16,479 | 2,66,924 | 4,93,281 | 5,29,724 | 11,71,230 |
| 16 | Change in actuarial liability | 5,59,206 | 3,49,111 | 3,95,947 | 9,08,317 | 6,74,425 | 17,59,496 |
| 17 | Total (10+11+12+13+14+15+16) | 9,34,906 | 6,54,913 | 7,44,917 | 15,89,819 | 13,57,775 | 32,73,766 |
| 18 | Surplus/(Deficit) (6-17) | 28,922 | 31,638 | 28,507 | 60,560 | 54,460 | 1,02,288 |
| 19 | Appropriations | | | | | | |
| | (a) Transferred to Shareholders A/c | 14,033 | 24,243 | 12,971 | 38,276 | 34,773 | 82,940 |
| | (b) Funds for Future Appropriations ⁵ | 14,889 | 7,395 | 15,536 | 22,284 | 19,686 | 19,348 |
| 20 | Details of Surplus/ (Deficit) | | | | | | |
| | (a) Interim & terminal bonus paid | 839 | 632 | 530 | 1,470 | 1,081 | 3,481 |
| | (b) Allocation of bonus to policyholders | - | - | - | - | - | 95,225 |
| | (c) Surplus shown in the Revenue Account | 28,922 | 31,638 | 28,507 | 60,560 | 54,460 | 1,02,288 |
| | Total Surplus | 29,761 | 32,270 | 29,037 | 62,030 | 55,540 | 2,00,994 |
| SHAREHOLDERS' A/C | | | | | | | |
| 21 | Transfer from Policyholders' Account | 14,033 | 24,243 | 12,971 | 38,276 | 34,773 | 82,940 |
| 22 | Total income under Shareholders' Account | | | | | | |
| | (a) Investment Income | 11,880 | 12,396 | 11,276 | 24,276 | 21,971 | 45,206 |
| | (b) Other income | 411 | 391 | 256 | 801 | 610 | 1,147 |
| 23 | Expenses other than those related to insurance business | 683 | 778 | 1,063 | 1,461 | 1,693 | 3,210 |
| 24 | Transfer of funds to Policyholders' A/c | - | - | - | - | - | 7,564 |
| 25 | Provisions for doubtful debts (including write off) | - | - | - | - | - | - |
| 26 | Provisions for diminution in value of investments | - | (74) | 178 | (74) | 178 | 74 |
| 27 | Profit/ (loss) before tax | 25,641 | 36,325 | 23,262 | 61,966 | 55,482 | 1,18,445 |
| 28 | Provisions for tax | 588 | 894 | 715 | 1,482 | 1,591 | 3,407 |
| 29 | Profit/ (loss) after tax and before Extraordinary Items | 25,053 | 35,431 | 22,547 | 60,484 | 53,891 | 1,15,038 |
| 30 | Extraordinary Items (Net of tax expenses) | - | - | - | - | - | - |
| 31 | Profit/ (loss) after tax and Extraordinary Items | 25,053 | 35,431 | 22,547 | 60,484 | 53,891 | 1,15,038 |
| 32 | Dividend per share (₹): | | | | | | |
| | (a) Interim Dividend | - | - | - | - | - | 2.00 |
| | (b) Final Dividend | - | - | - | - | - | - |
| 33 | Profit/(Loss) carried to Balance Sheet | 5,97,930 | 5,72,877 | 5,00,369 | 5,97,930 | 5,00,369 | 5,37,446 |
| 34 | Paid up equity share capital | 1,00,000 | 1,00,000 | 1,00,000 | 1,00,000 | 1,00,000 | 1,00,000 |
| 35 | Reserve & Surplus (excluding Revaluation Reserve) | 5,97,930 | 5,72,877 | 5,00,369 | 5,97,930 | 5,00,369 | 5,37,446 |
| 36 | Fair Value Change Account and Revaluation Reserve (Shareholders) | 11,120 | 9,470 | 17,863 | 11,120 | 17,863 | 15,336 |
| 37 | Total Assets: | | | | | | |
| | (a) Investments: | | | | | | |
| | Shareholders' | 5,77,402 | 5,69,279 | 4,99,434 | 5,77,402 | 4,99,434 | 5,01,435 |
| | Policyholders Fund excluding Linked Assets | 58,97,852 | 56,30,918 | 49,51,090 | 58,97,852 | 49,51,090 | 54,48,567 |
| | Assets held to cover Linked Liabilities | 59,74,913 | 56,56,919 | 48,82,346 | 59,74,913 | 48,82,346 | 54,93,585 |
| | (b) Other Assets (Net of current liabilities and provisions) | 3,43,896 | 3,37,528 | 3,67,198 | 3,43,896 | 3,67,198 | 3,71,989 |

1 Net of reinsurance

2 Net of amortisation and losses (including capital gains)

3 Inclusive of Goods and Service Tax (GST) from July 1, 2017 onwards

4 Inclusive of interim bonus & terminal bonus

5 Represents change in Funds for Future Appropriations during the period



| Sl. No. | Particulars | Three months ended/ As at | | | Half year ended/ As at | | Year ended/ As at March 31, 2018 (Audited) |
|---------|--|------------------------------|---------------------------------------|------------------------------|------------------------------|------------------------------|--|
| | | September 30, 2018 (Audited) | June 30, 2018 (Unaudited) | September 30, 2017 (Audited) | September 30, 2018 (Audited) | September 30, 2017 (Audited) | |
| | | 38 | Analytical Ratios¹: | | | | |
| (i) | Solvency Ratio | 2.21 | 2.14 | 2.09 | 2.21 | 2.09 | 2.06 |
| (ii) | Expenses Management Ratio | 10.86% | 13.77% | 12.66% | 11.97% | 13.28% | 11.20% |
| (iii) | Policyholder's liabilities to shareholders' fund | 1704.39% | 1687.16% | 1630.75% | 1704.39% | 1630.75% | 1710.03% |
| (iv) | Earnings per share (₹): | | | | | | |
| | a) Basic and diluted EPS before extraordinary items (net of tax expense) for the period (not annualized for three/ six months) | 2.51 | 3.54 | 2.25 | 6.05 | 5.39 | 11.50 |
| | b) Basic and diluted EPS after extraordinary items (net of tax expense) for the period (not annualized for three/ six months) | 2.51 | 3.54 | 2.25 | 6.05 | 5.39 | 11.50 |
| (v) | NPA ratios: (for policyholders' fund) | | | | | | |
| | a) Gross & Net NPAs | NIL | NIL | NIL | NIL | NIL | NIL |
| | b) % of Gross & Net NPAs | NIL | NIL | NIL | NIL | NIL | NIL |
| (vi) | Yield on Investments (on policyholders' fund) | | | | | | |
| | A. Without unrealised gains | | | | | | |
| | Non Linked | | | | | | |
| | Par | 8.29% | 9.47% | 9.32% | 8.87% | 9.12% | 8.86% |
| | Non Par | 8.37% | 9.29% | 8.73% | 8.83% | 9.12% | 8.95% |
| | Sub - Total : Non-Linked | 8.34% | 9.36% | 8.92% | 8.84% | 9.12% | 8.92% |
| | Linked | | | | | | |
| | Par | NA | NA | NA | NA | NA | NA |
| | Non Par | 7.08% | 6.58% | 12.56% | 6.83% | 11.27% | 10.42% |
| | Sub - Total : Linked | 7.08% | 6.58% | 12.56% | 6.83% | 11.27% | 10.42% |
| | Grand Total | 7.73% | 8.03% | 10.59% | 7.88% | 10.11% | 9.61% |
| | B. With unrealised gains | | | | | | |
| | Non Linked | | | | | | |
| | Par | 2.83% | -3.09% | 9.52% | -0.12% | 13.39% | 7.37% |
| | Non Par | 6.79% | -2.19% | 7.34% | 2.32% | 9.75% | 6.31% |
| | Sub - Total : Non-Linked | 5.27% | -2.53% | 8.12% | 1.39% | 11.00% | 6.68% |
| | Linked | | | | | | |
| | Par | NA | NA | NA | NA | NA | NA |
| | Non Par | 5.09% | 5.77% | 10.32% | 5.43% | 11.88% | 8.17% |
| | Sub - Total : Linked | 5.09% | 5.77% | 10.32% | 5.43% | 11.88% | 8.17% |
| | Grand Total | 5.19% | 1.50% | 9.15% | 3.35% | 11.41% | 7.38% |
| (vii) | NPA ratios: (for shareholders' fund) | | | | | | |
| | a) Gross & Net NPAs | NIL | NIL | NIL | NIL | NIL | NIL |
| | b) % of Gross & Net NPAs | NIL | NIL | NIL | NIL | NIL | NIL |
| (viii) | Yield on Investments (on shareholders' fund) | | | | | | |
| | A. Without unrealised gains | 8.23% | 9.98% | 9.03% | 9.10% | 9.53% | 9.48% |
| | B. With unrealised gains | 8.45% | -2.01% | 13.92% | 3.25% | 12.89% | 8.40% |
| (ix) | Persistency Ratio (based on number of Policy) ² | | | | | | |
| | For 13th month | 72.65% | 61.75% | 68.31% | 71.54% | 72.91% | 73.90% |
| | For 25th month | 62.23% | 62.36% | 62.32% | 64.49% | 65.49% | 65.56% |
| | For 37th month | 59.62% | 60.30% | 58.82% | 61.43% | 61.28% | 60.35% |
| | For 49th Month | 54.31% | 50.07% | 48.28% | 56.66% | 51.81% | 56.30% |
| | For 61st month | 47.55% | 49.44% | 43.27% | 48.63% | 46.11% | 47.76% |
| | Persistency Ratio (based on Premium) ² | | | | | | |
| | For 13th month | 80.03% | 82.47% | 77.48% | 83.20% | 81.33% | 83.03% |
| | For 25th month | 71.69% | 74.27% | 71.10% | 74.75% | 74.47% | 75.18% |
| | For 37th month | 68.43% | 71.30% | 67.80% | 71.00% | 67.79% | 70.02% |
| | For 49th Month | 64.93% | 61.35% | 57.94% | 64.36% | 63.07% | 63.85% |
| | For 61st month | 55.45% | 57.82% | 51.05% | 57.50% | 62.08% | 58.43% |
| (x) | Conservation Ratio | | | | | | |
| | Participating Life | 86.28% | 86.28% | 87.01% | 86.28% | 87.73% | 88.45% |
| | Participating Pension | 91.65% | 93.83% | 88.95% | 92.25% | 89.35% | 92.50% |
| | Group Pension | 161.52% | 98.43% | 136.25% | 128.94% | 131.22% | 124.43% |
| | Non Participating | 79.86% | 81.10% | 76.01% | 80.48% | 81.63% | 80.01% |
| | Linked Life | 82.23% | 84.71% | 81.75% | 83.14% | 82.77% | 82.73% |
| | Linked Group | - | - | - | - | - | - |
| | Linked Pension | 86.95% | 89.66% | 87.83% | 87.89% | 89.05% | 87.83% |
| (xi) | Percentage of shares held by Government of India (in case of public sector insurance companies) | NA | NA | NA | NA | NA | NA |

1 Analytical ratios have been calculated as per definition given in IRDAI Analytical ratios disclosures

2 The persistency ratios are calculated as per IRDAI/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.

i) Persistency ratios for the three months ended September 30, 2018 and September 30, 2017 are "for the quarter" persistency calculated using policies issued in June to August period of the relevant years.

ii) Persistency ratios for the three months ended June 30, 2018 are "for the quarter" persistency calculated using policies issued in March to May period of the relevant years.

iii) Persistency ratios for the half year ended September 30, 2018 and September 30, 2017 are "upto the quarter" persistency calculated using policies issued in September to August period of the relevant years.

iv) Persistency Ratios for the year ended March 31, 2018 are "upto the quarter" persistency calculated using policies issued in March to February period of the relevant years.

NA - Not applicable



SBI Life Insurance Company Limited
Balance Sheet as at September 30, 2018

(₹ in Lakhs)

| Particulars | As at | As at | As at | As at |
|---|---------------------------------|------------------------------|-----------------------------|---------------------------------|
| | September 30, 2018 (Audited) | June 30, 2018 (Unaudited) | March 31, 2018 (Audited) | September 30, 2017 (Audited) |
| SOURCES OF FUNDS | | | | |
| Shareholders' Funds: | | | | |
| Share Capital | 1,00,000 | 1,00,000 | 1,00,000 | 1,00,000 |
| Reserves and Surplus | 5,97,930 | 5,72,877 | 5,37,446 | 5,00,369 |
| Credit/(Debit) Fair Value Change Account | 11,120 | 9,470 | 15,336 | 17,863 |
| Sub-Total | 7,09,050 | 6,82,347 | 6,52,782 | 6,18,232 |
| Borrowings | - | - | - | - |
| Policyholders' Funds: | | | | |
| Credit/(Debit) Fair Value Change Account | 85,887 | 87,267 | 94,271 | 98,044 |
| Policy Liabilities | 59,82,580 | 57,41,368 | 55,55,590 | 50,81,759 |
| Insurance Reserves | - | - | - | - |
| Provision for Linked Liabilities | 53,89,785 | 50,77,581 | 49,55,808 | 42,37,646 |
| Add: Fair value change (Linked) | 2,82,019 | 3,04,715 | 3,10,548 | 4,14,204 |
| Add: Funds for Discontinued Policies | | | | |
| (i) Discontinued on account of non-payment of premium | 2,97,871 | 2,69,397 | 2,22,501 | 2,26,412 |
| (ii) Others | 5,238 | 5,226 | 4,728 | 4,084 |
| Total Linked Liabilities | 59,74,913 | 56,56,919 | 54,93,585 | 48,82,346 |
| Sub-Total | 1,20,43,380 | 1,14,85,553 | 1,11,43,447 | 1,00,62,149 |
| Funds for Future Appropriation - Linked | - | - | - | - |
| Funds for Future Appropriation - Other | 41,632 | 26,743 | 19,348 | 19,686 |
| TOTAL | 1,27,94,063 | 1,21,94,644 | 1,18,15,576 | 1,07,00,067 |
| APPLICATION OF FUNDS | | | | |
| Investments | | | | |
| - Shareholders' | 5,77,402 | 5,69,279 | 5,01,435 | 4,99,434 |
| - Policyholders' | 58,97,852 | 56,30,918 | 54,48,567 | 49,51,090 |
| Assets held to cover Linked Liabilities | 59,74,913 | 56,56,919 | 54,93,585 | 48,82,346 |
| Loans | 17,021 | 17,217 | 17,090 | 17,329 |
| Fixed assets | 59,221 | 58,553 | 58,129 | 55,984 |
| Current Assets | | | | |
| Cash and Bank Balances | 1,98,385 | 1,74,219 | 2,64,463 | 1,90,743 |
| Advances and Other Assets | 3,73,588 | 3,47,784 | 3,87,618 | 3,52,595 |
| Sub-Total (A) | 5,71,973 | 5,22,003 | 6,52,081 | 5,43,338 |
| Current Liabilities | | | | |
| Provisions | 2,81,928 | 2,33,060 | 3,20,457 | 2,29,784 |
| Sub-Total (B) | 3,04,319 | 2,60,245 | 3,55,311 | 2,49,454 |
| Net Current Assets (C) = (A - B) | 2,67,653 | 2,61,758 | 2,96,770 | 2,93,884 |
| Miscellaneous Expenditure (To The Extent Not Written Off or Adjusted) | - | - | - | - |
| Debit Balance in Profit and Loss Account (Shareholders' Account) | - | - | - | - |
| TOTAL | 1,27,94,063 | 1,21,94,644 | 1,18,15,576 | 1,07,00,067 |
| Contingent Liabilities | 46,485 | 45,665 | 44,856 | 42,183 |



SBI Life Insurance Company Limited
Segment¹ Reporting for the quarter and half year ended September 30, 2018

| Sl. No. | Particulars | Three months ended/ As at | | | Half year ended/ As at | | (₹ in Lakhs) |
|----------|--|---------------------------|---------------|--------------------|------------------------|--------------------|----------------------------------|
| | | September 30, 2018 | June 30, 2018 | September 30, 2017 | September 30, 2018 | September 30, 2017 | Year ended/ As at March 31, 2018 |
| | | (Audited) | (Unaudited) | (Audited) | (Audited) | (Audited) | (Audited) |
| 1 | Segment Income: | | | | | | |
| | Segment A: Par life | | | | | | |
| | Net Premium | 1,42,151 | 93,820 | 1,22,759 | 2,35,970 | 2,00,334 | 5,16,569 |
| | Income from Investments ² | 37,327 | 41,749 | 33,362 | 79,076 | 61,846 | 1,29,748 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | - |
| | Other Income | 568 | 465 | 499 | 1,033 | 1,315 | 2,477 |
| | Segment B: Par pension | | | | | | |
| | Net Premium | 8,254 | 3,499 | 7,485 | 11,753 | 10,219 | 26,074 |
| | Income from Investments ² | 3,440 | 3,472 | 2,913 | 6,913 | 5,604 | 10,994 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | - |
| | Other Income | 16 | 13 | 9 | 29 | 23 | 79 |
| | Segment C: Par Variable | | | | | | |
| | Net Premium | 23,760 | 13,295 | 18,793 | 37,055 | 29,077 | 86,309 |
| | Income from Investments ² | 5,077 | 4,646 | 3,259 | 9,723 | 7,826 | 16,839 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | - |
| | Other Income | 1 | (1) | 1 | - | 2 | 7 |
| | Segment D - Non Par Individual Life | | | | | | |
| | Net Premium | 32,734 | 18,220 | 28,768 | 50,955 | 46,592 | 1,22,546 |
| | Income from Investments ² | 16,688 | 16,891 | 14,761 | 33,580 | 32,905 | 65,234 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | - |
| | Other Income | 25 | 23 | 24 | 47 | 55 | 139 |
| | Segment E - Non Par Pension | | | | | | |
| | Net Premium | 436 | 348 | 483 | 784 | 930 | 3,127 |
| | Income from Investments ² | 881 | 1,074 | 892 | 1,955 | 2,281 | 3,930 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | - |
| | Other Income | - | - | - | - | - | 1 |
| | Segment F - Non Par Group life | | | | | | |
| | Net Premium | 1,05,223 | 90,588 | 35,733 | 1,95,811 | 1,11,992 | 2,44,770 |
| | Income from Investments ² | 44,778 | 50,008 | 43,609 | 94,786 | 89,115 | 1,78,273 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | 6,317 |
| | Other Income | 10 | 8 | 10 | 18 | 21 | 53 |
| | Segment G - Non Par Annuity | | | | | | |
| | Net Premium | 7,649 | 4,151 | 5,244 | 11,800 | 8,969 | 21,156 |
| | Income from Investments ² | 5,216 | 5,124 | 5,234 | 10,340 | 10,128 | 20,207 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | - |
| | Other Income | 1 | (1) | 1 | - | 2 | 8 |
| | Segment H - Non Par Health | | | | | | |
| | Net Premium | 207 | 84 | 114 | 291 | 117 | 390 |
| | Income from Investments ² | 30 | 13 | 7 | 42 | 7 | 14 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | 908 |
| | Other Income | - | - | - | - | - | - |
| | Segment I - Non Par Variable | | | | | | |
| | Net Premium | 19,914 | 11,814 | 9,246 | 31,729 | 18,710 | 84,876 |
| | Income from Investments ² | 7,729 | 7,228 | 5,621 | 14,957 | 11,011 | 22,603 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | 335 |
| | Other Income | 1 | (1) | 1 | (1) | 2 | 9 |
| | Segment J - Linked Individual Life | | | | | | |
| | Net Premium | 3,64,530 | 2,07,885 | 2,70,207 | 5,72,415 | 4,27,131 | 12,40,819 |
| | Income from Investments ² | 64,484 | 73,016 | 1,11,412 | 1,37,499 | 2,46,244 | 3,58,317 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | - |
| | Other Income | 948 | 1,067 | 852 | 2,014 | 1,864 | 4,085 |



| Sl. No. | Particulars | Three months ended/ As at | | | Half year ended/ As at | | Year ended/ As at March 31, |
|---------|--|---------------------------|--------------------|--------------------|------------------------|--------------------|-----------------------------|
| | | September 30, 2018 | June 30, 2018 | September 30, 2017 | September 30, 2018 | September 30, 2017 | 2018 |
| | | (Audited) | (Unaudited) | (Audited) | (Audited) | (Audited) | (Audited) |
| | Segment K - Linked Group | | | | | | |
| | Net Premium | 1,680 | 898 | 780 | 2,577 | 1,246 | 3,207 |
| | Income from Investments ² | 306 | 206 | 512 | 512 | 1,231 | 1,737 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | 4 |
| | Other Income | - | - | - | - | - | - |
| | Segment L - Linked Pension | | | | | | |
| | Net Premium | 59,619 | 30,848 | 38,844 | 90,467 | 59,399 | 1,66,163 |
| | Income from Investments ² | 9,214 | 6,498 | 11,010 | 15,712 | 24,946 | 37,222 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | - |
| | Other Income | - | - | - | - | - | - |
| | Shareholders | | | | | | |
| | Income from Investments ² | 11,880 | 12,470 | 11,098 | 24,350 | 21,792 | 45,133 |
| | Other Income | 411 | 391 | 256 | 801 | 610 | 1,147 |
| 2 | Segment Surplus/ (Deficit) (net of transfer from shareholders' A/c) : | | | | | | |
| | Segment A - Par life | 14,268 | 7,588 | 13,862 | 21,856 | 16,419 | 26,830 |
| | Segment B - Par pension | 1,561 | 569 | 659 | 2,129 | 2,200 | 3,815 |
| | Segment C - Par VIP | (940) | (762) | 1,015 | (1,701) | 1,067 | (330) |
| | Segment D - Non Par Ind Life | 290 | 5,501 | 8,010 | 5,790 | 15,233 | 20,295 |
| | Segment E - Non Par Ind Pension | 260 | 435 | 99 | 695 | 854 | 772 |
| | Segment F - Non Par Group life | 3,127 | 9,779 | 552 | 12,906 | 8,908 | 25,868 |
| | Segment G - Non Par Annuity | 447 | 1,525 | 1,208 | 1,972 | 2,523 | 639 |
| | Segment H - Non Par Health | (46) | (64) | (1,792) | (110) | (1,782) | (908) |
| | Segment I - Non Par VIP | 505 | 409 | 247 | 915 | 430 | (335) |
| | Segment J - Linked Ind Life | 7,657 | 5,519 | 4,306 | 13,176 | 7,604 | 15,305 |
| | Segment K - Linked Group | 1 | (5) | 8 | (4) | 12 | (4) |
| | Segment L - Linked Pension | 1,792 | 1,143 | 332 | 2,936 | 992 | 2,777 |
| | Shareholders | 11,020 | 11,189 | 9,576 | 22,208 | 19,118 | 39,663 |
| 3 | Segment Assets: | | | | | | |
| | Segment A - Par life | 19,52,652 | 18,42,181 | 15,37,037 | 19,52,652 | 15,37,037 | 17,49,596 |
| | Segment B - Par pension | 1,60,933 | 1,48,278 | 1,29,048 | 1,60,933 | 1,29,048 | 1,44,784 |
| | Segment C - Par VIP | 2,74,596 | 2,47,909 | 1,80,336 | 2,74,596 | 1,80,336 | 2,46,170 |
| | Segment D - Non Par Ind Life | 7,01,644 | 7,50,956 | 6,49,340 | 7,01,644 | 6,49,340 | 6,69,105 |
| | Segment E - Non Par Ind Pension | 47,873 | 40,695 | 38,502 | 47,873 | 38,502 | 57,782 |
| | Segment F - Non Par Group life | 22,11,726 | 21,63,219 | 20,61,205 | 22,11,726 | 20,61,205 | 21,00,933 |
| | Segment G - Non Par Annuity | 2,57,371 | 2,50,574 | 2,37,819 | 2,57,371 | 2,37,819 | 2,47,955 |
| | Segment H - Non Par Health | 3,295 | 2,031 | 260 | 3,295 | 260 | 2,629 |
| | Segment I - Non Par VIP | 3,76,594 | 3,55,991 | 2,81,034 | 3,76,594 | 2,81,034 | 3,40,790 |
| | Segment J - Linked Ind Life | 55,08,526 | 51,75,526 | 45,26,582 | 55,08,526 | 45,26,582 | 50,74,592 |
| | Segment K - Linked Group | 31,717 | 26,970 | 24,096 | 31,717 | 24,096 | 26,326 |
| | Segment L - Linked Pension | 5,72,258 | 5,23,728 | 4,22,622 | 5,72,258 | 4,22,622 | 5,02,068 |
| | Total | 1,20,99,186 | 1,15,28,059 | 1,00,87,882 | 1,20,99,186 | 1,00,87,882 | 1,11,62,730 |
| | Shareholders | 7,09,050 | 6,82,347 | 6,18,232 | 7,09,050 | 6,18,232 | 6,52,782 |
| | Unallocated | (14,173) | (15,763) | (6,047) | (14,173) | (6,047) | 65 |
| | Grand Total | 1,27,94,063 | 1,21,94,644 | 1,07,00,067 | 1,27,94,063 | 1,07,00,067 | 1,18,15,576 |
| 4 | Segment Policy Liabilities: | | | | | | |
| | Segment A - Par life | 19,56,346 | 18,45,930 | 15,45,896 | 19,56,346 | 15,45,896 | 17,67,590 |
| | Segment B - Par pension | 1,53,629 | 1,44,161 | 1,22,408 | 1,53,629 | 1,22,408 | 1,38,205 |
| | Segment C - Par VIP | 2,85,247 | 2,58,895 | 1,88,059 | 2,85,247 | 1,88,059 | 2,45,482 |
| | Segment D - Non Par Ind Life | 7,53,259 | 7,27,902 | 6,63,312 | 7,53,259 | 6,63,312 | 7,17,533 |
| | Segment E - Non Par Ind Pension | 40,694 | 40,637 | 40,004 | 40,694 | 40,004 | 40,413 |
| | Segment F - Non Par Group life | 21,82,089 | 21,26,000 | 20,37,272 | 21,82,089 | 20,37,272 | 20,66,749 |
| | Segment G - Non Par Annuity | 2,72,786 | 2,65,544 | 2,49,071 | 2,72,786 | 2,49,071 | 2,62,336 |
| | Segment H - Non Par Health | 1,249 | 1,061 | 239 | 1,249 | 239 | 1,009 |
| | Segment I - Non Par VIP | 3,76,176 | 3,58,252 | 2,80,704 | 3,76,176 | 2,80,704 | 3,46,848 |
| | Segment J - Linked Ind Life | 54,65,803 | 51,94,511 | 45,09,093 | 54,65,803 | 45,09,093 | 50,48,485 |
| | Segment K - Linked Group | 28,008 | 26,353 | 23,833 | 28,008 | 23,833 | 25,737 |
| | Segment L - Linked Pension | 5,69,728 | 5,23,050 | 4,21,943 | 5,69,728 | 4,21,943 | 5,02,409 |
| | Total | 1,20,85,013 | 1,15,12,297 | 1,00,81,835 | 1,20,85,013 | 1,00,81,835 | 1,11,62,795 |
| | Shareholders | 7,09,050 | 6,82,347 | 6,18,232 | 7,09,050 | 6,18,232 | 6,52,782 |
| | Unallocated | - | - | - | - | - | - |
| | Grand Total | 1,27,94,063 | 1,21,94,644 | 1,07,00,067 | 1,27,94,063 | 1,07,00,067 | 1,18,15,576 |

Footnotes:

1 Segments include

a. Linked Policies: (i) Life (ii) General Annuity and Pension (iii) Health (iv) Variable

b. Non-Linked

1. Non-Participating Policies: (i) Life (ii) General Annuity and Pension (iii) Health (iv) Variable

2. Participating Policies: (i) Life (ii) General Annuity and Pension (iii) Health (iv) Variable

c. Variable insurance further segregated into Life, General Annuity and Pension and Health where any such segment contributes ten per cent or more of the total premium of the Company.

2. Net of Provisions for diminution in value of investments and provision for standard assets.



Other disclosures:

Status of Shareholders Complaints for the half year September 30, 2018

| SI. No. | Particulars | Numbers |
|---------|--|---------|
| 1 | No. of investor complaints pending at the beginning of the year | Nil |
| 2 | No. of investor complaints received during the period | 158 |
| 3 | No. of investor complaints disposed off during the period | 158 |
| 4 | No. of investor complaints remaining unresolved at the end of the period | Nil |



Notes:

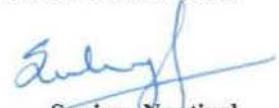
- 1 The above financial results have been reviewed by the Board Audit Committee and approved by the Board of Directors at its meeting held on October 19, 2018.
- 2 The financial statements have been prepared in accordance with Accounting Standard (AS) 25 on 'Interim Financial Reporting'.
- 3 The financial results have been prepared in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, to the extent applicable, IRDAI circular IRDA/F&I/REG/CIR/208/10/2016 dated October 25, 2016 on publication of financial results for life insurance companies.
- 4 In view of seasonality of the industry, the financial results for the quarter and half ended September 30, 2018 are not indicative of the results that may be expected of any other interim period or full year.
- 5 The above financial results are audited by the joint statutory auditors, GMJ & Co., Chartered Accountants and P.S.D. & Associates, Chartered Accountants.
- 6 In accordance with requirement of IRDAI Master Circular on 'Presentation of Financial Statements and Filing of Returns', the Company will publish the financials on the Company's website latest by November 03, 2018.
- 7 Figures of the previous period/year have been regrouped/ reclassified wherever necessary, in order to make them comparable.

For and on behalf of Board of Directors

Place: Mumbai

Date: October 19, 2018




Sanjeev Nautiyal
Managing Director & CEO
(DIN: 08075972)



G M J & Co.

Chartered Accountants
3rd and 4th Floor, Vaastu Darshan,
B Wing, Azad Road,
Above Central Bank of India
Andheri East,
Mumbai 4000 69

P S D & Associates

Chartered Accountants
808, Tower – A,
Omkar Alta Monte,
Pathanwadi
Malad East,
Mumbai 4000 97

Auditor's Report on Quarterly Financial Results and Year to Date Results of SBI Life Insurance Company Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with IRDA Circular reference: IRDAI /F&I / REG/ CIR/ 208 /10/ 2016 dated 25th October 2016

To
The Board of Directors of
SBI Life Insurance Company Limited

We have audited the accompanying quarterly financial results of SBI Life Insurance Company Limited (the "Company") for the quarter ended September 30, 2018 and the year to date financial results for the period April 01, 2018 to September 30, 2018, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and IRDA Circular reference: IRDAI/F&I/REG/CIR/208/10/2016 dated October 25, 2016. These quarterly financial results as well as the year to date financial results have been prepared on the basis of interim condensed financial statements, which are the responsibility of the Company's management and have been approved by the Board of Directors on October 19, 2018.

Our responsibility is to express an opinion on these interim condensed financial statement and year to date financial results based on our audit of such interim condensed financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard ("AS") 25, "Interim Financial Reporting", specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 issued there under, including the relevant provisions of the Insurance Act, 1938 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act") and other accounting principles generally accepted in India, to the extent considered relevant and appropriate for the purpose of quarterly financial results as well as the year to date financial results and which are not inconsistent with the accounting principles as prescribed in the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 (the "Regulations") and orders/directions/circulars issued by the Insurance Regulatory and Development Authority of India ("IRDAI") to the extent applicable.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



G M J & Co.
Chartered Accountants
3rd and 4th Floor, Vaastu Darshan,
B Wing, Azad Road,
Above Central Bank of India
Andheri East,
Mumbai 4000 69

P S D & Associates
Chartered Accountants
808, Tower – A,
Omkar Alta Monte,
Pathanwadi
Malad East,
Mumbai 4000 97

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and IRDAI Circular reference IRDAI/F&I/REG/CIR/208/10/2016 dated October 25, 2016 in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the quarter ended September 30, 2018 as well as the year to date results for the year from April 01, 2018 to September 30, 2018.

Other Matters

The actuarial valuation of liabilities for life policies in force is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at September 30, 2018 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the Authority. We have relied upon the Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists, as contained in the interim condensed financial statements of the Company.

For G M J & Co.
Chartered Accountants
Firm Regn. No. 103429W

Sanjeev Maheshwari
Partner
Membership No. 038755



For P S D & Associates
Chartered Accountants
Firm Regn. No. 004501C

Thalendra Sharma
Partner
Membership No. 079236

Place: Mumbai

Date: October 19, 2018

18 October 2018

The Directors
SBI Life Insurance Company Limited
Natraj, M.V. Road and Western Express Highway Junction
Andheri (East), Mumbai - 400 069

Dear Sirs,

Willis Towers Watson Opinion on Embedded Value as at 30 September 2018

Willis Towers Watson Actuarial Advisory LLP ("Willis Towers Watson", "we", "us" or "our") has been engaged by SBI Life Insurance Company Limited ("SBI Life" or "the Company") to review and provide an independent actuarial opinion on the embedded value results prepared by SBI Life. The review covered the embedded value as at 30 September 2018 and the value of new business written during the period 1 April 2018 to 30 September 2018 (together, "embedded value results").

Scope of work

Our scope of work covered:

- A review of the methodology and assumptions used to determine the embedded value results;
- A review of the results of SBI Life's calculation of the embedded value results;
- A review of the analysis of movement in embedded value from 31 March 2018 to 30 September 2018; and
- A review of select sensitivities as defined by the Company.

Opinion

Willis Towers Watson has concluded that the methodology and assumptions used to determine the embedded value results of SBI Life comply with the standards issued by the Institute of Actuaries of India within the Actuarial Practice Standard 10 ("Indian Embedded Value Principles"), and in particular that:

- the economic assumptions used are internally consistent and result in the projected cash-flows being valued in line with the prices of similar cash-flows that are traded on the capital markets;
- the operating assumptions have been set with appropriate regard to the past, current and expected future experience;
- the Required Capital has been determined and projected on the basis of SBI Life's internal capital target of 180% of the Required Solvency Margin;
- allowance has been made for the Cost of Residual Non-Hedgeable Risks; and
- for participating business, the assumed bonus rates, and allocation of profit between policyholders and shareholders, are consistent with the projection assumptions, established company practice and local market practice.

Willis Towers Watson has also performed a number of checks on the models, processes and results of the calculations performed by SBI Life. On the basis of this review, Willis Towers Watson has confirmed that no issues have been discovered that have a material impact on the disclosed embedded value as at 30 September 2018, the value of new business written during the period 1 April 2018 to 30 September 2018, the analysis of movement in embedded value, and the sensitivity analysis.

In arriving at these conclusions, Willis Towers Watson has relied on data and information provided by SBI Life. This Opinion is made solely to SBI Life in accordance with the terms of Willis Towers Watson's engagement letter dated 11 October 2018. To the fullest extent permitted by applicable law, Willis Towers Watson does not accept or assume any responsibility, duty of care or liability to anyone other than SBI Life for or in connection with its review work, the opinions it has formed or for any statements set forth in this opinion.



Vivek Jalan, FIAI
Partner



Kunj Behari Maheshwari, FIAI
Partner

Performance for the half year ended September 30, 2018

- **New Business Premium increased by 30%**
- **Protection New Business Premium increased by 142%**
- **Unit linked New Business Premium increased by 15%**
- **Individual Rated Premium increased by 11%**
- **Profit after tax increased by 12% to ₹ 6.0 billion**
- **Value of New Business (VoNB) increased by 21.8%**
- **VoNB margin increased to 17.3% and on effective tax rate basis is at 19.2%**
- **Indian Embedded Value (IEV) increased by 10.1% to ₹ 199.1 billion**

Key measures of performance

(₹ in billion)

| Particulars | H1 FY 2019 | H1 FY 2018 | YoY | FY 2018 | FY 2017 | YoY |
|--|--------------|-------------|--------------|--------------|--------------|--------------|
| Revenue Parameters | | | | | | |
| New Business Premium (NBP) | 55.7 | 42.9 | 29.9% | 109.7 | 101.4 | 8.1% |
| Renewal Premium (RP) | 68.7 | 49.6 | 38.6% | 143.9 | 108.7 | 32.3% |
| Gross Written Premium (GWP) | 124.4 | 92.5 | 34.6% | 253.5 | 210.2 | 20.6% |
| Individual Rated Premium (IRP) | 34.1 | 30.6 | 11.4% | 77.9 | 59.4 | 31.2% |
| New Business Annualized Premium Equivalent (APE) | 37.0 | 33.8 | 9.6% | 85.4 | 67.3 | 26.9% |
| Total Protection NBP (Individual + Group) | 5.9 | 2.4 | 141.7% | 6.0 | 4.9 | 23.1% |
| Total Protection NBP Share | 10.5% | 5.6% | - | 5.5% | 4.8% | - |
| Private Market Share based on IRP ¹ | 21.9% | 21.8% | - | 21.8% | 20.7% | - |
| NBP Channel mix (%) (Banca/ Agency / others) | 61/21/18 | 66/25/9 | - | 62/25/13 | 53/22/25 | - |
| | | | | | | |
| Financial Parameters | | | | | | |
| Profit after Tax (PAT) | 6.0 | 5.4 | 12.2% | 11.5 | 9.5 | 20.5% |
| Indian Embedded Value (IEV) ² | 199.1 | 180.8 | 10.1% | 190.7 | 165.4 | 15.3% |
| Value of New Business (VoNB) | 6.4 | 5.3 | 21.8% | 13.9 | 10.4 | 33.6% |
| New Business Margin (VoNB Margin) | 17.3% | 15.6% | - | 16.2% | 15.4% | - |

| Particulars | H1 FY 2019 | H1 FY 2018 | YoY | FY 2018 | FY 2017 | YoY |
|---|---------------|---------------|-------|------------|------------|-------|
| Net Worth | 70.9 | 61.8 | 14.7% | 65.3 | 55.5 | 17.6% |
| Assets under Management (AuM) | 1,261.7 | 1,050.7 | 20.1% | 1,162.6 | 977.4 | 19.0% |
| IEV and VoNB Margin using effective tax rate⁶ | | | | | | |
| Indian Embedded Value (IEV) ² | 211.7 | NA | - | 201.7 | NA | - |
| Value of New Business (VoNB) | 7.1 | NA | - | 15.7 | NA | - |
| New Business Margin (VoNB Margin) | 19.2% | NA | - | 18.4% | NA | - |
| | | | | | | |
| Key Financial Ratios | | | | | | |
| Operating expense ratio ³ | 7.8% | 8.6% | - | 6.8% | 7.8% | - |
| Commission ratio | 4.1% | 4.7% | - | 4.4% | 3.7% | - |
| Total cost ratio ⁴ | 12.0% | 13.3% | - | 11.2% | 11.6% | - |
| Persistency Ratios (based on premium) ⁵ | | | | | | |
| 13 th month persistency | 83.2% | 81.3% | - | 83.03% | 81.07% | - |
| 25 th month persistency | 74.8% | 74.5% | - | 75.18% | 73.86% | - |
| 37 th month persistency | 71.0% | 67.8% | - | 70.02% | 67.36% | - |
| 49 th month persistency | 64.4% | 63.1% | - | 63.85% | 62.46% | - |
| 61 st month persistency | 57.5% | 62.1% | - | 58.43% | 67.18% | - |
| Solvency Ratio | 2.21 | 2.09 | - | 2.06 | 2.04 | - |
| Return on Equity (RoE) | 17.8% | 18.4% | - | 19.0% | 18.6% | - |

1. Source: Life insurance council

2. Embedded Value and related numbers for FY17, FY18 and H1FY 19 have been reviewed by Independent Actuary. H1FY 18 numbers are based on management estimates

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

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

5. 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 period ended September 30, 2018 and September 30, 2017 are 'Upto the Quarter' Persistency Ratios are calculated using policies issued in September to August period of the relevant years

6. 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.

7. 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 audited financial results for the half year ended September 30, 2018, following its meeting on Friday, October 19, 2018 in Mumbai. The disclosure of financial results submitted to exchanges is annexed to this release.

Business growth and market share

- New Business Premium (NBP) has increased by 29.9% from ₹ 42.9 billion in H1 FY 2018 to ₹ 55.7 billion in H1 FY 2019.

- Individual rated premium (IRP) has increased by 11.4% from ₹ 30.6 billion in H1 FY 2018 to ₹ 34.1 billion in H1 FY 2019.
- Individual New Business Premium has shown consistent growth and is increased by 11.6% from ₹ 33.3 billion in H1 FY 2018 to ₹ 37.2 billion in H1 FY 2019.
- Individual unit linked New Business Premium has increased by 15.0% from ₹ 23.8 billion in H1 FY 2018 to ₹ 27.4 billion in H1 FY 2019.
- The Company has registered growth in savings and protection business reflecting balanced product mix. Total protection new business premium has increased by 141.7% from ₹ 2.4 billion in H1 FY 2018 to ₹ 5.9 billion in H1 FY 2019. The share of total protection NBP (individual and group) has increased from 5.6% in H1 FY 2018 to 10.5% in H1 FY 2019.
- New Business APE increased by 9.6% in H1 FY 2019 to ₹ 37.0 billion from ₹ 33.8 billion for the same period last year.
- Robust growth in GWP of 34.6% to ₹ 124.4 billion in H1 FY 2019, due to strong growth in individual renewal premium by 42.0% to ₹ 63.62 billion and also due to increase in group single premium by 130.8% from ₹ 7.8 billion to ₹ 18.0 billion.

Cost Efficiency

- Total Cost ratio has decreased to 12.0% in H1 FY 2019, from 13.3% in H1 FY 2018
 - Commission ratio has decreased to 4.1% in H1 FY 2019, from 4.7% in H1 FY 2018
 - Operating Expense ratio stood at 7.8% in H1 FY 2019 as against 8.6% in H1 FY 2018

Profitability

- Value of New Business (VoNB) increased by 21.8% to ₹ 6.4 billion in H1 FY 2019
- VoNB margin increased by 170 bps from 15.6 % in H1 FY2018 to 17.3% in H1 FY 2019
- Value of New Business (VoNB) stood at ₹ 7.1 billion for H1 FY2019 (with effective tax rate)
- VoNB margin increased from 18.4 % for FY2018 to 19.2% for H1 FY2019 (with effective tax rate)
- PAT increased by 12.2% from ₹ 5.4 billion in H1 FY 2018 to ₹ 6.0 billion in H1 FY 2019

Persistency

- Robust 13th month persistency of 83.2% in H1 FY2019 as compared to 81.3% in H1 FY 2018
- Strong growth in 37th month persistency ratio from 67.8% in H1 FY 2018 to 71.0% in H1 FY 2019

Assets under Management

- AuM has grown by 20.1% from ₹ 1,050.7 billion as of September 30, 2017 to ₹ 1,261.7 billion as of September 30, 2018 with debt-equity mix of 77:23. 90% of the debt investments are in AAA and Sovereign instruments.

Net worth and capital position

- The Company's net worth increased by 14.7% from ₹ 61.8 billion as at September 30, 2017 to ₹ 70.9 billion as at September 30, 2018.
- The solvency ratio as at September 30, 2018 was at 2.21 as against the regulatory requirement of 1.50.
- Return on Equity (RoE) of 17.8% in H1 FY 2019 as compared to 18.4% in H1 FY 2018.

Distribution network

- The Company has strong distribution network of 169,662 trained insurance professional and widespread operations with 848 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 centres, insurance marketing firms, web aggregators and direct business. NBP channel mix for H1 FY 2019 is bancassurance channel 61%, agency channel 21%, and other channels 18%.

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 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 Company Limited (“SBI Life”/ “the Company”), established in 2001, is a joint venture between State Bank of India and BNP Paribas Cardif S.A. and is one of the leading life Insurance companies in India. SBI Life has an authorized capital of ₹ 20.0 billion and a paid up capital of ₹ 10.0 billion.

SBI Life offers a comprehensive range of life insurance and pension products at competitive prices, ensuring high standards of customer service and world class operating efficiency. The Company offers individual and group products which include savings and protection plans to address the insurance needs of diverse customer segments.

SBI Life has a multi-channel distribution network comprising of an expansive Bancassurance channel with SBI, which has an unrivalled strength of over 22,000 branches across the country. SBI Life also has a large and productive agent network comprising of 113,045 agents, as on September 30, 2018. The Company's other distribution channels include direct sales and sales through corporate agents, brokers, insurance marketing firms and other intermediaries. As on September 30, 2018, the Company has a widespread network of 848 offices across the Country to address customer needs effectively and efficiently. The Company had an AuM of ₹ 1,261.7 billion as of September 30, 2018.

The Company is listed on National Stock Exchange (“NSE”) and The Bombay Stock Exchange (“BSE”).

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.

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(₹1 billion = ₹ 100 crore)

SEARCHABLE FORMAT

SBI Life Insurance Company Limited
Statement of Audited Financial Results for the quarter and half year ended September 30, 2018

(₹ in Lakhs)

| Sl. No. | Particulars | Three months ended/ As at | | | Half year ended/ As at | | Year ended/ As |
|---------------------------|---|---------------------------|-----------------|--------------------|------------------------|--------------------|-------------------|
| | | September 30, 2018 | June 30, 2018 | September 30, 2017 | September 30, 2018 | September 30, 2017 | at March 31, 2018 |
| | | (Audited) | (Unaudited) | (Audited) | (Audited) | (Audited) | (Audited) |
| POLICYHOLDERS' A/C | | | | | | | |
| 1 | Gross premium income | | | | | | |
| | (a) First Year Premium | 2,22,192 | 1,20,965 | 2,03,903 | 3,43,158 | 3,21,086 | 8,13,936 |
| | (b) Renewal Premium | 4,18,893 | 2,68,264 | 2,97,152 | 6,87,158 | 4,95,955 | 14,38,805 |
| | (c) Single Premium | 1,27,462 | 86,667 | 44,951 | 2,14,129 | 1,07,771 | 2,82,678 |
| 2 | Net premium income ¹ | 7,66,155 | 4,75,452 | 5,38,457 | 12,41,607 | 9,14,715 | 25,16,007 |
| 3 | Income from investments (Net) ² | 1,96,103 | 2,09,528 | 2,33,568 | 4,05,631 | 4,94,235 | 8,45,625 |
| 4 | Other income | 1,569 | 1,572 | 1,399 | 3,141 | 3,284 | 6,858 |
| 5 | Transfer of funds from Shareholders' A/c | - | - | - | - | - | 7,564 |
| 6 | Total (2 to 5) | 9,63,827 | 6,86,552 | 7,73,424 | 16,50,379 | 14,12,234 | 33,76,054 |
| 7 | Commission on | | | | | | |
| | (a) First Year Premium | 18,525 | 11,232 | 17,811 | 29,757 | 28,606 | 70,455 |
| | (b) Renewal Premium | 11,676 | 7,200 | 8,415 | 18,876 | 13,809 | 39,384 |
| | (c) Single Premium | 1,724 | 1,157 | 515 | 2,881 | 840 | 2,248 |
| 8 | Net Commission ¹ | 31,924 | 19,589 | 26,741 | 51,514 | 43,255 | 1,12,087 |
| 9 | Operating Expenses related to insurance business (a + b): | 51,541 | 45,936 | 42,378 | 97,477 | 79,531 | 1,71,884 |
| | (a) Employees remuneration and welfare expenses | 29,788 | 29,265 | 24,648 | 59,053 | 47,230 | 95,820 |
| | (b) Other operating expenses | 21,753 | 16,672 | 17,730 | 38,425 | 32,301 | 76,064 |
| 10 | Expenses of Management (8+9) | 83,465 | 65,525 | 69,119 | 1,48,991 | 1,22,786 | 2,83,971 |
| 11 | Provisions for doubtful debts (including bad debts written off) | 18 | 46 | 54 | 64 | 66 | 46 |
| 12 | Provisions for diminution in value of investments and provision for standard assets | 933 | (395) | 977 | 537 | 1,089 | 506 |
| 13 | Service tax/ GST on charges ³ | 10,577 | 8,668 | 8,217 | 19,246 | 13,851 | 34,717 |
| 14 | Provision for taxes | 3,904 | 15,479 | 3,680 | 19,383 | 15,834 | 23,800 |
| 15 | Benefits Paid ⁴ (Net) ¹ | 2,76,803 | 2,16,479 | 2,66,924 | 4,93,281 | 5,29,724 | 11,71,230 |
| 16 | Change in actuarial liability | 5,59,206 | 3,49,111 | 3,95,947 | 9,08,317 | 6,74,425 | 17,59,496 |
| 17 | Total (10+11+12+13+14+15+16) | 9,34,906 | 6,54,913 | 7,44,917 | 15,89,819 | 13,57,775 | 32,73,766 |
| 18 | Surplus/(Deficit) (6-17) | 28,922 | 31,638 | 28,507 | 60,560 | 54,460 | 1,02,288 |
| 19 | Appropriations | | | | | | |
| | (a) Transferred to Shareholders A/c | 14,033 | 24,243 | 12,971 | 38,276 | 34,773 | 82,940 |
| | (b) Funds for Future Appropriations ⁵ | 14,889 | 7,395 | 15,536 | 22,284 | 19,686 | 19,348 |
| 20 | Details of Surplus/ (Deficit) | | | | | | |
| | (a) Interim & terminal bonus paid | 839 | 632 | 530 | 1,470 | 1,081 | 3,481 |
| | (b) Allocation of bonus to policyholders | - | - | - | - | - | 95,225 |
| | (c) Surplus shown in the Revenue Account | 28,922 | 31,638 | 28,507 | 60,560 | 54,460 | 1,02,288 |
| | Total Surplus | 29,761 | 32,270 | 29,037 | 62,030 | 55,540 | 2,00,994 |
| SHAREHOLDERS' A/C | | | | | | | |
| 21 | Transfer from Policyholders' Account | 14,033 | 24,243 | 12,971 | 38,276 | 34,773 | 82,940 |
| 22 | Total income under Shareholders' Account | | | | | | |
| | (a) Investment Income | 11,880 | 12,396 | 11,276 | 24,276 | 21,971 | 45,206 |
| | (b) Other income | 411 | 391 | 256 | 801 | 610 | 1,147 |
| 23 | Expenses other than those related to insurance business | 683 | 778 | 1,063 | 1,461 | 1,693 | 3,210 |
| 24 | Transfer of funds to Policyholders' A/c | - | - | - | - | - | 7,564 |
| 25 | Provisions for doubtful debts (including write off) | - | - | - | - | - | - |
| 26 | Provisions for diminution in value of investments | - | (74) | 178 | (74) | 178 | 74 |
| 27 | Profit/ (loss) before tax | 25,641 | 36,325 | 23,262 | 61,966 | 55,482 | 1,18,445 |
| 28 | Provisions for tax | 588 | 894 | 715 | 1,482 | 1,591 | 3,407 |
| 29 | Profit/ (loss) after tax and before Extraordinary Items | 25,053 | 35,431 | 22,547 | 60,484 | 53,891 | 1,15,038 |
| 30 | Extraordinary Items (Net of tax expenses) | - | - | - | - | - | - |
| 31 | Profit/ (loss) after tax and Extraordinary Items | 25,053 | 35,431 | 22,547 | 60,484 | 53,891 | 1,15,038 |
| 32 | Dividend per share (₹): | | | | | | |
| | (a) Interim Dividend | - | - | - | - | - | 2.00 |
| | (b) Final Dividend | - | - | - | - | - | - |
| 33 | Profit/(Loss) carried to Balance Sheet | 5,97,930 | 5,72,877 | 5,00,369 | 5,97,930 | 5,00,369 | 5,37,446 |
| 34 | Paid up equity share capital | 1,00,000 | 1,00,000 | 1,00,000 | 1,00,000 | 1,00,000 | 1,00,000 |
| 35 | Reserve & Surplus (excluding Revaluation Reserve) | 5,97,930 | 5,72,877 | 5,00,369 | 5,97,930 | 5,00,369 | 5,37,446 |
| 36 | Fair Value Change Account and Revaluation Reserve (Shareholders) | 11,120 | 9,470 | 17,863 | 11,120 | 17,863 | 15,336 |
| 37 | Total Assets: | | | | | | |
| | (a) Investments: | | | | | | |
| | Shareholders' | 5,77,402 | 5,69,279 | 4,99,434 | 5,77,402 | 4,99,434 | 5,01,435 |
| | Policyholders Fund excluding Linked Assets | 58,97,852 | 56,30,918 | 49,51,090 | 58,97,852 | 49,51,090 | 54,48,567 |
| | Assets held to cover Linked Liabilities | 59,74,913 | 56,56,919 | 48,82,346 | 59,74,913 | 48,82,346 | 54,93,585 |
| | (b) Other Assets (Net of current liabilities and provisions) | 3,43,896 | 3,37,528 | 3,67,198 | 3,43,896 | 3,67,198 | 3,71,989 |

¹ Net of reinsurance

² Net of amortisation and losses (including capital gains)

³ Inclusive of Goods and Service Tax (GST) from July 1, 2017 onwards

⁴ Inclusive of interim bonus & terminal bonus

⁵ Represents change in Funds for Future Appropriations during the period

| Sl. No. | Particulars | Three months ended/ As at | | | Half year ended/ As at | | Year ended/ As at March 31, |
|---------|--|---------------------------|---------------|--------------------|------------------------|--------------------|-----------------------------|
| | | September 30, 2018 | June 30, 2018 | September 30, 2017 | September 30, 2018 | September 30, 2017 | 2018 |
| | | (Audited) | (Unaudited) | (Audited) | (Audited) | (Audited) | (Audited) |
| 38 | Analytical Ratios¹ : | | | | | | |
| | (i) Solvency Ratio | 2.21 | 2.14 | 2.09 | 2.21 | 2.09 | 2.06 |
| | (ii) Expenses Management Ratio | 10.86% | 13.77% | 12.66% | 11.97% | 13.28% | 11.20% |
| | (iii) Policyholder's liabilities to shareholders' fund | 1704.39% | 1687.16% | 1630.75% | 1704.39% | 1630.75% | 1710.03% |
| | (iv) Earnings per share (₹): | | | | | | |
| | a) Basic and diluted EPS before extraordinary items (net of tax expense) for the period (not annualized for three/ six months) | 2.51 | 3.54 | 2.25 | 6.05 | 5.39 | 11.50 |
| | b) Basic and diluted EPS after extraordinary items (net of tax expense) for the period (not annualized for three/ six months) | 2.51 | 3.54 | 2.25 | 6.05 | 5.39 | 11.50 |
| | (v) NPA ratios: (for policyholders' fund) | | | | | | |
| | a) Gross & Net NPAs | NIL | NIL | NIL | NIL | NIL | NIL |
| | b) % of Gross & Net NPAs | NIL | NIL | NIL | NIL | NIL | NIL |
| | (vi) Yield on Investments (on policyholders' fund) | | | | | | |
| | A. Without unrealised gains | | | | | | |
| | Non Linked | | | | | | |
| | Par | 8.29% | 9.47% | 9.32% | 8.87% | 9.12% | 8.86% |
| | Non Par | 8.37% | 9.29% | 8.73% | 8.83% | 9.12% | 8.95% |
| | Sub -Total : Non-Linked | 8.34% | 9.36% | 8.92% | 8.84% | 9.12% | 8.92% |
| | Linked | | | | | | |
| | Par | NA | NA | NA | NA | NA | NA |
| | Non Par | 7.08% | 6.58% | 12.56% | 6.83% | 11.27% | 10.42% |
| | Sub - Total : Linked | 7.08% | 6.58% | 12.56% | 6.83% | 11.27% | 10.42% |
| | Grand Total | 7.73% | 8.03% | 10.59% | 7.88% | 10.11% | 9.61% |
| | B. With unrealised gains | | | | | | |
| | Non Linked | | | | | | |
| | Par | 2.83% | -3.09% | 9.52% | -0.12% | 13.39% | 7.37% |
| | Non Par | 6.79% | -2.19% | 7.34% | 2.32% | 9.75% | 6.31% |
| | Sub - Total : Non-Linked | 5.27% | -2.53% | 8.12% | 1.39% | 11.00% | 6.68% |
| | Linked | | | | | | |
| | Par | NA | NA | NA | NA | NA | NA |
| | Non Par | 5.09% | 5.77% | 10.32% | 5.43% | 11.88% | 8.17% |
| | Sub - Total : Linked | 5.09% | 5.77% | 10.32% | 5.43% | 11.88% | 8.17% |
| | Grand Total | 5.19% | 1.50% | 9.15% | 3.35% | 11.41% | 7.38% |
| | (vii) NPA ratios: (for shareholders' fund) | | | | | | |
| | a) Gross & Net NPAs | NIL | NIL | NIL | NIL | NIL | NIL |
| | b) % of Gross & Net NPAs | NIL | NIL | NIL | NIL | NIL | NIL |
| | (viii) Yield on Investments (on shareholders' fund) | | | | | | |
| | A. Without unrealised gains | 8.23% | 9.98% | 9.03% | 9.10% | 9.53% | 9.48% |
| | B. With unrealised gains | 8.45% | -2.01% | 13.92% | 3.25% | 12.89% | 8.40% |
| | (ix) Persistency Ratio (based on number of Policy) ² | | | | | | |
| | For 13th month | 72.65% | 61.75% | 68.31% | 71.54% | 72.91% | 73.90% |
| | For 25th month | 62.23% | 62.36% | 62.32% | 64.49% | 65.49% | 65.56% |
| | For 37th month | 59.62% | 60.30% | 58.82% | 61.43% | 61.28% | 60.35% |
| | For 49th Month | 54.31% | 50.07% | 48.28% | 56.66% | 51.81% | 56.30% |
| | For 61st month | 47.55% | 49.44% | 43.27% | 48.63% | 46.11% | 47.76% |
| | Persistency Ratio (based on Premium) ² | | | | | | |
| | For 13th month | 80.03% | 82.47% | 77.48% | 83.20% | 81.33% | 83.03% |
| | For 25th month | 71.69% | 74.27% | 71.10% | 74.75% | 74.47% | 75.18% |
| | For 37th month | 68.43% | 71.30% | 67.80% | 71.00% | 67.79% | 70.02% |
| | For 49th Month | 64.93% | 61.35% | 57.94% | 64.36% | 63.07% | 63.85% |
| | For 61st month | 55.45% | 57.82% | 51.05% | 57.50% | 62.08% | 58.43% |
| | (x) Conservation Ratio | | | | | | |
| | Participating Life | 86.28% | 86.28% | 87.01% | 86.28% | 87.73% | 88.45% |
| | Participating Pension | 91.65% | 93.83% | 88.95% | 92.25% | 89.35% | 92.50% |
| | Group Pension | 161.52% | 98.43% | 136.25% | 128.94% | 131.22% | 124.43% |
| | Non Participating | 79.86% | 81.10% | 76.01% | 80.48% | 81.63% | 80.01% |
| | Linked Life | 82.23% | 84.71% | 81.75% | 83.14% | 82.77% | 82.73% |
| | Linked Group | - | - | - | - | - | - |
| | Linked Pension | 86.95% | 89.66% | 87.83% | 87.89% | 89.05% | 87.83% |
| | (xi) Percentage of shares held by Government of India (in case of public sector insurance companies) | NA | NA | NA | NA | NA | NA |

1 Analytical ratios have been calculated as per definition given in IRDAI Analytical ratios disclosures

2 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.

i) Persistency ratios for the three months ended September 30, 2018 and September 30, 2017 are "for the quarter" persistency calculated using policies issued in June to August period of the relevant years.

ii) Persistency ratios for the three months ended June 30, 2018 are "for the quarter" persistency calculated using policies issued in March to May period of the relevant years.

iii) Persistency ratios for the half year ended September 30, 2018 and September 30, 2017 are "upto the quarter" persistency calculated using policies issued in September to August period of the relevant years.

iv) Persistency Ratios for the year ended March 31, 2018 are "upto the quarter" persistency calculated using policies issued in March to February period of the relevant years.

NA - Not applicable

SBI Life Insurance Company Limited
Balance Sheet as at September 30, 2018

(₹ in Lakhs)

| Particulars | As at | As at | As at | As at |
|---|--------------------|--------------------|--------------------|--------------------|
| | September 30, 2018 | June 30, 2018 | March 31, 2018 | September 30, 2017 |
| | (Audited) | (Unaudited) | (Audited) | (Audited) |
| SOURCES OF FUNDS | | | | |
| Shareholders' Funds: | | | | |
| Share Capital | 1,00,000 | 1,00,000 | 1,00,000 | 1,00,000 |
| Reserves and Surplus | 5,97,930 | 5,72,877 | 5,37,446 | 5,00,369 |
| Credit/(Debit) Fair Value Change Account | 11,120 | 9,470 | 15,336 | 17,863 |
| Sub-Total | 7,09,050 | 6,82,347 | 6,52,782 | 6,18,232 |
| Borrowings | - | - | - | - |
| Policyholders' Funds: | | | | |
| Credit/(Debit) Fair Value Change Account | 85,887 | 87,267 | 94,271 | 98,044 |
| Policy Liabilities | 59,82,580 | 57,41,368 | 55,55,590 | 50,81,759 |
| Insurance Reserves | - | - | - | - |
| Provision for Linked Liabilities | 53,89,785 | 50,77,581 | 49,55,808 | 42,37,646 |
| Add: Fair value change (Linked) | 2,82,019 | 3,04,715 | 3,10,548 | 4,14,204 |
| Add: Funds for Discontinued Policies | | | | |
| (i) Discontinued on account of non-payment of premium | 2,97,871 | 2,69,397 | 2,22,501 | 2,26,412 |
| (ii) Others | 5,238 | 5,226 | 4,728 | 4,084 |
| Total Linked Liabilities | 59,74,913 | 56,56,919 | 54,93,585 | 48,82,346 |
| Sub-Total | 1,20,43,380 | 1,14,85,553 | 1,11,43,447 | 1,00,62,149 |
| Funds for Future Appropriation - Linked | - | - | - | - |
| Funds for Future Appropriation - Other | 41,632 | 26,743 | 19,348 | 19,686 |
| TOTAL | 1,27,94,063 | 1,21,94,644 | 1,18,15,576 | 1,07,00,067 |
| APPLICATION OF FUNDS | | | | |
| Investments | | | | |
| - Shareholders' | 5,77,402 | 5,69,279 | 5,01,435 | 4,99,434 |
| - Policyholders' | 58,97,852 | 56,30,918 | 54,48,567 | 49,51,090 |
| Assets held to cover Linked Liabilities | 59,74,913 | 56,56,919 | 54,93,585 | 48,82,346 |
| Loans | 17,021 | 17,217 | 17,090 | 17,329 |
| Fixed assets | 59,221 | 58,553 | 58,129 | 55,984 |
| Current Assets | | | | |
| Cash and Bank Balances | 1,98,385 | 1,74,219 | 2,64,463 | 1,90,743 |
| Advances and Other Assets | 3,73,588 | 3,47,784 | 3,87,618 | 3,52,595 |
| Sub-Total (A) | 5,71,973 | 5,22,003 | 6,52,081 | 5,43,338 |
| Current Liabilities | | | | |
| Provisions | 2,81,928 | 2,33,060 | 3,20,457 | 2,29,784 |
| Sub-Total (B) | 3,04,319 | 2,60,245 | 3,55,311 | 2,49,454 |
| Net Current Assets (C) = (A - B) | 2,67,653 | 2,61,758 | 2,96,770 | 2,93,884 |
| Miscellaneous Expenditure (To The Extent Not Written Off or Adjusted) | - | - | - | - |
| Debit Balance in Profit and Loss Account (Shareholders' Account) | - | - | - | - |
| TOTAL | 1,27,94,063 | 1,21,94,644 | 1,18,15,576 | 1,07,00,067 |
| Contingent Liabilities | 46,485 | 45,665 | 44,856 | 42,183 |

SBI Life Insurance Company Limited
Segment¹ Reporting for the quarter and half year ended September 30, 2018

(₹ in Lakhs)

| SI. No. | Particulars | Three months ended/ As at | | | Half year ended/ As at | | Year ended/ As at March 31, 2018 |
|----------|--|---------------------------|---------------|--------------------|------------------------|--------------------|----------------------------------|
| | | September 30, 2018 | June 30, 2018 | September 30, 2017 | September 30, 2018 | September 30, 2017 | |
| | | (Audited) | (Unaudited) | (Audited) | (Audited) | (Audited) | |
| 1 | Segment Income: | | | | | | |
| | Segment A: Par life | | | | | | |
| | Net Premium | 1,42,151 | 93,820 | 1,22,759 | 2,35,970 | 2,00,334 | 5,16,569 |
| | Income from Investments ² | 37,327 | 41,749 | 33,362 | 79,076 | 61,846 | 1,29,748 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | - |
| | Other Income | 568 | 465 | 499 | 1,033 | 1,315 | 2,477 |
| | Segment B: Par pension | | | | | | |
| | Net Premium | 8,254 | 3,499 | 7,485 | 11,753 | 10,219 | 26,074 |
| | Income from Investments ² | 3,440 | 3,472 | 2,913 | 6,913 | 5,604 | 10,994 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | - |
| | Other Income | 16 | 13 | 9 | 29 | 23 | 79 |
| | Segment C: Par Variable | | | | | | |
| | Net Premium | 23,760 | 13,295 | 18,793 | 37,055 | 29,077 | 86,309 |
| | Income from Investments ² | 5,077 | 4,646 | 3,259 | 9,723 | 7,826 | 16,839 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | - |
| | Other Income | 1 | (1) | 1 | - | 2 | 7 |
| | Segment D - Non Par Individual Life | | | | | | |
| | Net Premium | 32,734 | 18,220 | 28,768 | 50,955 | 46,592 | 1,22,546 |
| | Income from Investments ² | 16,688 | 16,891 | 14,761 | 33,580 | 32,905 | 65,234 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | - |
| | Other Income | 25 | 23 | 24 | 47 | 55 | 139 |
| | Segment E - Non Par Pension | | | | | | |
| | Net Premium | 436 | 348 | 483 | 784 | 930 | 3,127 |
| | Income from Investments ² | 881 | 1,074 | 892 | 1,955 | 2,281 | 3,930 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | - |
| | Other Income | - | - | - | - | - | 1 |
| | Segment F - Non Par Group life | | | | | | |
| | Net Premium | 1,05,223 | 90,588 | 35,733 | 1,95,811 | 1,11,992 | 2,44,770 |
| | Income from Investments ² | 44,778 | 50,008 | 43,609 | 94,786 | 89,115 | 1,78,273 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | 6,317 |
| | Other Income | 10 | 8 | 10 | 18 | 21 | 53 |
| | Segment G - Non Par Annuity | | | | | | |
| | Net Premium | 7,649 | 4,151 | 5,244 | 11,800 | 8,969 | 21,156 |
| | Income from Investments ² | 5,216 | 5,124 | 5,234 | 10,340 | 10,128 | 20,207 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | - |
| | Other Income | 1 | (1) | 1 | - | 2 | 8 |
| | Segment H - Non Par Health | | | | | | |
| | Net Premium | 207 | 84 | 114 | 291 | 117 | 390 |
| | Income from Investments ² | 30 | 13 | 7 | 42 | 7 | 14 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | 908 |
| | Other Income | - | - | - | - | - | - |
| | Segment I - Non Par Variable | | | | | | |
| | Net Premium | 19,914 | 11,814 | 9,246 | 31,729 | 18,710 | 84,876 |
| | Income from Investments ² | 7,729 | 7,228 | 5,621 | 14,957 | 11,011 | 22,603 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | 335 |
| | Other Income | 1 | (1) | 1 | (1) | 2 | 9 |
| | Segment J - Linked Individual Life | | | | | | |
| | Net Premium | 3,64,530 | 2,07,885 | 2,70,207 | 5,72,415 | 4,27,131 | 12,40,819 |
| | Income from Investments ² | 64,484 | 73,016 | 1,11,412 | 1,37,499 | 2,46,244 | 3,58,317 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | - |
| | Other Income | 948 | 1,067 | 852 | 2,014 | 1,864 | 4,085 |

| SI. No. | Particulars | Three months ended/ As at | | | Half year ended/ As at | | Year ended/ As at March 31, 2018 |
|---------|--|---------------------------|--------------------|--------------------|------------------------|--------------------|----------------------------------|
| | | September 30, 2018 | June 30, 2018 | September 30, 2017 | September 30, 2018 | September 30, 2017 | |
| | | (Audited) | (Unaudited) | (Audited) | (Audited) | (Audited) | (Audited) |
| | Segment K - Linked Group | | | | | | |
| | Net Premium | 1,680 | 898 | 780 | 2,577 | 1,246 | 3,207 |
| | Income from Investments ² | 306 | 206 | 512 | 512 | 1,231 | 1,737 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | 4 |
| | Other Income | - | - | - | - | - | - |
| | Segment L - Linked Pension | | | | | | |
| | Net Premium | 59,619 | 30,848 | 38,844 | 90,467 | 59,399 | 1,66,163 |
| | Income from Investments ² | 9,214 | 6,498 | 11,010 | 15,712 | 24,946 | 37,222 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - | - |
| | Other Income | - | - | - | - | - | - |
| | Shareholders | | | | | | |
| | Income from Investments ² | 11,880 | 12,470 | 11,098 | 24,350 | 21,792 | 45,133 |
| | Other Income | 411 | 391 | 256 | 801 | 610 | 1,147 |
| 2 | Segment Surplus/ (Deficit) (net of transfer from shareholders' A/c) : | | | | | | |
| | Segment A - Par life | 14,268 | 7,588 | 13,862 | 21,856 | 16,419 | 26,830 |
| | Segment B - Par pension | 1,561 | 569 | 659 | 2,129 | 2,200 | 3,815 |
| | Segment C - Par VIP | (940) | (762) | 1,015 | (1,701) | 1,067 | (330) |
| | Segment D - Non Par Ind Life | 290 | 5,501 | 8,010 | 5,790 | 15,233 | 20,295 |
| | Segment E - Non Par Ind Pension | 260 | 435 | 99 | 695 | 854 | 772 |
| | Segment F - Non Par Group life | 3,127 | 9,779 | 552 | 12,906 | 8,908 | 25,868 |
| | Segment G - Non Par Annuity | 447 | 1,525 | 1,208 | 1,972 | 2,523 | 639 |
| | Segment H - Non Par Health | (46) | (64) | (1,792) | (110) | (1,782) | (908) |
| | Segment I - Non Par VIP | 505 | 409 | 247 | 915 | 430 | (335) |
| | Segment J - Linked Ind Life | 7,657 | 5,519 | 4,306 | 13,176 | 7,604 | 15,305 |
| | Segment K - Linked Group | 1 | (5) | 8 | (4) | 12 | (4) |
| | Segment L - Linked Pension | 1,792 | 1,143 | 332 | 2,936 | 992 | 2,777 |
| | Shareholders | 11,020 | 11,189 | 9,576 | 22,208 | 19,118 | 39,663 |
| 3 | Segment Assets: | | | | | | |
| | Segment A - Par life | 19,52,652 | 18,42,181 | 15,37,037 | 19,52,652 | 15,37,037 | 17,49,596 |
| | Segment B - Par pension | 1,60,933 | 1,48,278 | 1,29,048 | 1,60,933 | 1,29,048 | 1,44,784 |
| | Segment C - Par VIP | 2,74,596 | 2,47,909 | 1,80,336 | 2,74,596 | 1,80,336 | 2,46,170 |
| | Segment D - Non Par Ind Life | 7,01,644 | 7,50,956 | 6,49,340 | 7,01,644 | 6,49,340 | 6,69,105 |
| | Segment E - Non Par Ind Pension | 47,873 | 40,695 | 38,502 | 47,873 | 38,502 | 57,782 |
| | Segment F - Non Par Group life | 22,11,726 | 21,63,219 | 20,61,205 | 22,11,726 | 20,61,205 | 21,00,933 |
| | Segment G - Non Par Annuity | 2,57,371 | 2,50,574 | 2,37,819 | 2,57,371 | 2,37,819 | 2,47,955 |
| | Segment H - Non Par Health | 3,295 | 2,031 | 260 | 3,295 | 260 | 2,629 |
| | Segment I - Non Par VIP | 3,76,594 | 3,55,991 | 2,81,034 | 3,76,594 | 2,81,034 | 3,40,790 |
| | Segment J - Linked Ind Life | 55,08,526 | 51,75,526 | 45,26,582 | 55,08,526 | 45,26,582 | 50,74,592 |
| | Segment K - Linked Group | 31,717 | 26,970 | 24,096 | 31,717 | 24,096 | 26,326 |
| | Segment L - Linked Pension | 5,72,258 | 5,23,728 | 4,22,622 | 5,72,258 | 4,22,622 | 5,02,068 |
| | Total | 1,20,99,186 | 1,15,28,059 | 1,00,87,882 | 1,20,99,186 | 1,00,87,882 | 1,11,62,730 |
| | Shareholders | 7,09,050 | 6,82,347 | 6,18,232 | 7,09,050 | 6,18,232 | 6,52,782 |
| | Unallocated | (14,173) | (15,763) | (6,047) | (14,173) | (6,047) | 65 |
| | Grand Total | 1,27,94,063 | 1,21,94,644 | 1,07,00,067 | 1,27,94,063 | 1,07,00,067 | 1,18,15,576 |
| 4 | Segment Policy Liabilities: | | | | | | |
| | Segment A - Par life | 19,56,346 | 18,45,930 | 15,45,896 | 19,56,346 | 15,45,896 | 17,67,590 |
| | Segment B - Par pension | 1,53,629 | 1,44,161 | 1,22,408 | 1,53,629 | 1,22,408 | 1,38,205 |
| | Segment C - Par VIP | 2,85,247 | 2,58,895 | 1,88,059 | 2,85,247 | 1,88,059 | 2,45,482 |
| | Segment D - Non Par Ind Life | 7,53,259 | 7,27,902 | 6,63,312 | 7,53,259 | 6,63,312 | 7,17,533 |
| | Segment E - Non Par Ind Pension | 40,694 | 40,637 | 40,004 | 40,694 | 40,004 | 40,413 |
| | Segment F - Non Par Group life | 21,82,089 | 21,26,000 | 20,37,272 | 21,82,089 | 20,37,272 | 20,66,749 |
| | Segment G - Non Par Annuity | 2,72,786 | 2,65,544 | 2,49,071 | 2,72,786 | 2,49,071 | 2,62,336 |
| | Segment H - Non Par Health | 1,249 | 1,061 | 239 | 1,249 | 239 | 1,009 |
| | Segment I - Non Par VIP | 3,76,176 | 3,58,252 | 2,80,704 | 3,76,176 | 2,80,704 | 3,46,848 |
| | Segment J - Linked Ind Life | 54,65,803 | 51,94,511 | 45,09,093 | 54,65,803 | 45,09,093 | 50,48,485 |
| | Segment K - Linked Group | 28,008 | 26,353 | 23,833 | 28,008 | 23,833 | 25,737 |
| | Segment L - Linked Pension | 5,69,728 | 5,23,050 | 4,21,943 | 5,69,728 | 4,21,943 | 5,02,409 |
| | Total | 1,20,85,013 | 1,15,12,297 | 1,00,81,835 | 1,20,85,013 | 1,00,81,835 | 1,11,62,795 |
| | Shareholders | 7,09,050 | 6,82,347 | 6,18,232 | 7,09,050 | 6,18,232 | 6,52,782 |
| | Unallocated | - | - | - | - | - | - |
| | Grand Total | 1,27,94,063 | 1,21,94,644 | 1,07,00,067 | 1,27,94,063 | 1,07,00,067 | 1,18,15,576 |

Footnotes:

1 Segments include :

a. Linked Policies: (i) Life (ii) General Annuity and Pension (iii) Health (iv) Variable

b. Non-Linked

1. Non-Participating Policies: (i) Life (ii) General Annuity and Pension (iii) Health (iv) Variable

2. Participating Policies : (i) Life (ii) General Annuity and Pension (iii) Health (iv) Variable

c. Variable insurance further segregated into Life, General Annuity and Pension and Health where any such segment contributes ten per cent or more of the total premium of the Company.

2 Net of Provisions for diminution in value of investments and provision for standard assets.

Other disclosures:

Status of Shareholders Complaints for the half year September 30, 2018

| Sl. No. | Particulars | Numbers |
|----------------|--|----------------|
| 1 | No. of investor complaints pending at the beginning of the year | Nil |
| 2 | No. of investor complaints received during the period | 158 |
| 3 | No. of investor complaints disposed off during the period | 158 |
| 4 | No. of investor complaints remaining unresolved at the end of the period | Nil |

Notes:

- 1 The above financial results have been reviewed by the Board Audit Committee and approved by the Board of Directors at its meeting held on October 19, 2018.
- 2 The financial statements have been prepared in accordance with Accounting Standard (AS) 25 on 'Interim Financial Reporting'.
- 3 The financial results have been prepared in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, to the extent applicable, IRDAI circular IRDA/F&I/REG/CIR/208/10/2016 dated October 25, 2016 on publication of financial results for life insurance companies.
- 4 In view of seasonality of the industry, the financial results for the quarter and half ended September 30, 2018 are not indicative of the results that may be expected of any other interim period or full year.
- 5 The above financial results are audited by the joint statutory auditors, GMJ & Co., Chartered Accountants and P.S.D. & Associates, Chartered Accountants.
- 6 In accordance with requirement of IRDAI Master Circular on 'Presentation of Financial Statements and Filing of Returns', the Company will publish the financials on the Company's website latest by November 03, 2018.
- 7 Figures of the previous period/year have been regrouped/ reclassified wherever necessary, in order to make them comparable.

For and on behalf of Board of Directors

Place: Mumbai

Date: October 19, 2018

Sanjeev Nautiyal
Managing Director & CEO
(DIN: 08075972)

G M J & Co.

Chartered Accountants
3rd and 4th Floor, Vaastu Darshan,
B Wing, Azad Road,
Above Central Bank of India
Andheri East,
Mumbai 4000 69

P S D & Associates

Chartered Accountants
808, Tower – A,
Omkar Alta Monte,
Pathanwadi
Malad East,
Mumbai 4000 97

Auditor's Report on Quarterly Financial Results and Year to Date Results of SBI Life Insurance Company Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with IRDA Circular reference: IRDAI /F&I / REG/ CIR/ 208 /10/ 2016 dated 25th October 2016

To
The Board of Directors of
SBI Life Insurance Company Limited

We have audited the accompanying quarterly financial results of SBI Life Insurance Company Limited (the "Company") for the quarter ended September 30, 2018 and the year to date financial results for the period April 01, 2018 to September 30, 2018, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and IRDA Circular reference: IRDAI/F&I/REG/CIR/208/10/2016 dated October 25, 2016. These quarterly financial results as well as the year to date financial results have been prepared on the basis of interim condensed financial statements, which are the responsibility of the Company's management and have been approved by the Board of Directors on October 19, 2018.

Our responsibility is to express an opinion on these interim condensed financial statement and year to date financial results based on our audit of such interim condensed financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard ("AS") 25, "Interim Financial Reporting", specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 issued there under, including the relevant provisions of the Insurance Act, 1938 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act") and other accounting principles generally accepted in India, to the extent considered relevant and appropriate for the purpose of quarterly financial results as well as the year to date financial results and which are not inconsistent with the accounting principles as prescribed in the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 (the "Regulations") and orders/directions/circulars issued by the Insurance Regulatory and Development Authority of India ("IRDAI") to the extent applicable.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

G M J & Co.

Chartered Accountants
3rd and 4th Floor, Vaastu Darshan,
B Wing, Azad Road,
Above Central Bank of India
Andheri East,
Mumbai 4000 69

P S D & Associates

Chartered Accountants
808, Tower – A,
Omkar Alta Monte,
Pathanwadi
Malad East,
Mumbai 4000 97

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and IRDAI Circular reference IRDAI/F&I/REG/CIR/208/10/2016 dated October 25, 2016 in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the quarter ended September 30, 2018 as well as the year to date results for the year from April 01, 2018 to September 30, 2018.

Other Matters

The actuarial valuation of liabilities for life policies in force is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at September 30, 2018 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the Authority. We have relied upon the Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists, as contained in the interim condensed financial statements of the Company.

For G M J & Co.

Chartered Accountants
Firm Regn. No. 103429W

Sanjeev Maheshwari

Partner
Membership No. 038755

Place: Mumbai

Date: October 19, 2018

For P S D & Associates

Chartered Accountants
Firm Regn. No. 004501C

Thalendra Sharma

Partner
Membership No. 079236

18 October 2018

The Directors
SBI Life Insurance Company Limited
Natraj, M.V. Road and Western Express Highway Junction
Andheri (East), Mumbai - 400 069

Dear Sirs,

Willis Towers Watson Opinion on Embedded Value as at 30 September 2018

Willis Towers Watson Actuarial Advisory LLP (“Willis Towers Watson”, “we”, “us” or “our”) has been engaged by SBI Life Insurance Company Limited (“SBI Life” or “the Company”) to review and provide an independent actuarial opinion on the embedded value results prepared by SBI Life. The review covered the embedded value as at 30 September 2018 and the value of new business written during the period 1 April 2018 to 30 September 2018 (together, “embedded value results”).

Scope of work

Our scope of work covered:

- A review of the methodology and assumptions used to determine the embedded value results;
- A review of the results of SBI Life’s calculation of the embedded value results;
- A review of the analysis of movement in embedded value from 31 March 2018 to 30 September 2018; and
- A review of select sensitivities as defined by the Company.

Opinion

Willis Towers Watson has concluded that the methodology and assumptions used to determine the embedded value results of SBI Life comply with the standards issued by the Institute of Actuaries of India within the Actuarial Practice Standard 10 (“Indian Embedded Value Principles”), and in particular that:

- the economic assumptions used are internally consistent and result in the projected cash-flows being valued in line with the prices of similar cash-flows that are traded on the capital markets;
- the operating assumptions have been set with appropriate regard to the past, current and expected future experience;
- the Required Capital has been determined and projected on the basis of SBI Life’s internal capital target of 180% of the Required Solvency Margin;
- allowance has been made for the Cost of Residual Non-Hedgeable Risks; and
- for participating business, the assumed bonus rates, and allocation of profit between policyholders and shareholders, are consistent with the projection assumptions, established company practice and local market practice.

Willis Towers Watson has also performed a number of checks on the models, processes and results of the calculations performed by SBI Life. On the basis of this review, Willis Towers Watson has confirmed that no issues have been discovered that have a material impact on the disclosed embedded value as at 30 September 2018, the value of new business written during the period 1 April 2018 to 30 September 2018, the analysis of movement in embedded value, and the sensitivity analysis.

In arriving at these conclusions, Willis Towers Watson has relied on data and information provided by SBI Life. This Opinion is made solely to SBI Life in accordance with the terms of Willis Towers Watson’s engagement letter dated 11 October 2018. To the fullest extent permitted by applicable law, Willis Towers Watson does not accept or assume any responsibility, duty of care or liability to anyone other than SBI Life for or in connection with its review work, the opinions it has formed or for any statements set forth in this opinion.

Vivek Jalan, FIAI
Partner

Kunj Behari Maheshwari, FIAI
Partner

Performance for the half year ended September 30, 2018

- **New Business Premium increased by 30%**
- **Protection New Business Premium increased by 142%**
- **Unit linked New Business Premium increased by 15%**
- **Individual Rated Premium increased by 11%**
- **Profit after tax increased by 12% to ₹ 6.0 billion**
- **Value of New Business (VoNB) increased by 21.8%**
- **VoNB margin increased to 17.3% and on effective tax rate basis is at 19.2%**
- **Indian Embedded Value (IEV) increased by 10.1% to ₹ 199.1 billion**

Key measures of performance

(₹ in billion)

| Particulars | H1 FY 2019 | H1 FY 2018 | YoY | FY 2018 | FY 2017 | YoY |
|--|--------------|-------------|--------------|--------------|--------------|--------------|
| Revenue Parameters | | | | | | |
| New Business Premium (NBP) | 55.7 | 42.9 | 29.9% | 109.7 | 101.4 | 8.1% |
| Renewal Premium (RP) | 68.7 | 49.6 | 38.6% | 143.9 | 108.7 | 32.3% |
| Gross Written Premium (GWP) | 124.4 | 92.5 | 34.6% | 253.5 | 210.2 | 20.6% |
| Individual Rated Premium (IRP) | 34.1 | 30.6 | 11.4% | 77.9 | 59.4 | 31.2% |
| New Business Annualized Premium Equivalent (APE) | 37.0 | 33.8 | 9.6% | 85.4 | 67.3 | 26.9% |
| Total Protection NBP (Individual + Group) | 5.9 | 2.4 | 141.7% | 6.0 | 4.9 | 23.1% |
| Total Protection NBP Share | 10.5% | 5.6% | - | 5.5% | 4.8% | - |
| Private Market Share based on IRP ¹ | 21.9% | 21.8% | - | 21.8% | 20.7% | - |
| NBP Channel mix (%) (Banca/ Agency / others) | 61/21/18 | 66/25/9 | - | 62/25/13 | 53/22/25 | - |
| | | | | | | |
| Financial Parameters | | | | | | |
| Profit after Tax (PAT) | 6.0 | 5.4 | 12.2% | 11.5 | 9.5 | 20.5% |
| Indian Embedded Value (IEV) ² | 199.1 | 180.8 | 10.1% | 190.7 | 165.4 | 15.3% |
| Value of New Business (VoNB) | 6.4 | 5.3 | 21.8% | 13.9 | 10.4 | 33.6% |
| New Business Margin (VoNB Margin) | 17.3% | 15.6% | - | 16.2% | 15.4% | - |

| Particulars | H1 FY 2019 | H1 FY 2018 | YoY | FY 2018 | FY 2017 | YoY |
|---|---------------|---------------|-------|------------|------------|-------|
| Net Worth | 70.9 | 61.8 | 14.7% | 65.3 | 55.5 | 17.6% |
| Assets under Management (AuM) | 1,261.7 | 1,050.7 | 20.1% | 1,162.6 | 977.4 | 19.0% |
| IEV and VoNB Margin using effective tax rate⁶ | | | | | | |
| Indian Embedded Value (IEV) ² | 211.7 | NA | - | 201.7 | NA | - |
| Value of New Business (VoNB) | 7.1 | NA | - | 15.7 | NA | - |
| New Business Margin (VoNB Margin) | 19.2% | NA | - | 18.4% | NA | - |
| | | | | | | |
| Key Financial Ratios | | | | | | |
| Operating expense ratio ³ | 7.8% | 8.6% | - | 6.8% | 7.8% | - |
| Commission ratio | 4.1% | 4.7% | - | 4.4% | 3.7% | - |
| Total cost ratio ⁴ | 12.0% | 13.3% | - | 11.2% | 11.6% | - |
| Persistency Ratios (based on premium) ⁵ | | | | | | |
| 13 th month persistency | 83.2% | 81.3% | - | 83.03% | 81.07% | - |
| 25 th month persistency | 74.8% | 74.5% | - | 75.18% | 73.86% | - |
| 37 th month persistency | 71.0% | 67.8% | - | 70.02% | 67.36% | - |
| 49 th month persistency | 64.4% | 63.1% | - | 63.85% | 62.46% | - |
| 61 st month persistency | 57.5% | 62.1% | - | 58.43% | 67.18% | - |
| Solvency Ratio | 2.21 | 2.09 | - | 2.06 | 2.04 | - |
| Return on Equity (RoE) | 17.8% | 18.4% | - | 19.0% | 18.6% | - |

1. Source: Life insurance council

2. Embedded Value and related numbers for FY17, FY18 and H1FY 19 have been reviewed by Independent Actuary. H1FY 18 numbers are based on management estimates

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

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

5. 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 period ended September 30, 2018 and September 30, 2017 are 'Upto the Quarter' Persistency Ratios are calculated using policies issued in September to August period of the relevant years

6. 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.

7. 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 audited financial results for the half year ended September 30, 2018, following its meeting on Friday, October 19, 2018 in Mumbai. The disclosure of financial results submitted to exchanges is annexed to this release.

Business growth and market share

- New Business Premium (NBP) has increased by 29.9% from ₹ 42.9 billion in H1 FY 2018 to ₹ 55.7 billion in H1 FY 2019.

- Individual rated premium (IRP) has increased by 11.4% from ₹ 30.6 billion in H1 FY 2018 to ₹ 34.1 billion in H1 FY 2019.
- Individual New Business Premium has shown consistent growth and is increased by 11.6% from ₹ 33.3 billion in H1 FY 2018 to ₹ 37.2 billion in H1 FY 2019.
- Individual unit linked New Business Premium has increased by 15.0% from ₹ 23.8 billion in H1 FY 2018 to ₹ 27.4 billion in H1 FY 2019.
- The Company has registered growth in savings and protection business reflecting balanced product mix. Total protection new business premium has increased by 141.7% from ₹ 2.4 billion in H1 FY 2018 to ₹ 5.9 billion in H1 FY 2019. The share of total protection NBP (individual and group) has increased from 5.6% in H1 FY 2018 to 10.5% in H1 FY 2019.
- New Business APE increased by 9.6% in H1 FY 2019 to ₹ 37.0 billion from ₹ 33.8 billion for the same period last year.
- Robust growth in GWP of 34.6% to ₹ 124.4 billion in H1 FY 2019, due to strong growth in individual renewal premium by 42.0% to ₹ 63.62 billion and also due to increase in group single premium by 130.8% from ₹ 7.8 billion to ₹ 18.0 billion.

Cost Efficiency

- Total Cost ratio has decreased to 12.0% in H1 FY 2019, from 13.3% in H1 FY 2018
 - Commission ratio has decreased to 4.1% in H1 FY 2019, from 4.7% in H1 FY 2018
 - Operating Expense ratio stood at 7.8% in H1 FY 2019 as against 8.6% in H1 FY 2018

Profitability

- Value of New Business (VoNB) increased by 21.8% to ₹ 6.4 billion in H1 FY 2019
- VoNB margin increased by 170 bps from 15.6 % in H1 FY2018 to 17.3% in H1 FY 2019
- Value of New Business (VoNB) stood at ₹ 7.1 billion for H1 FY2019 (with effective tax rate)
- VoNB margin increased from 18.4 % for FY2018 to 19.2% for H1 FY2019 (with effective tax rate)
- PAT increased by 12.2% from ₹ 5.4 billion in H1 FY 2018 to ₹ 6.0 billion in H1 FY 2019

Persistency

- Robust 13th month persistency of 83.2% in H1 FY2019 as compared to 81.3% in H1 FY 2018
- Strong growth in 37th month persistency ratio from 67.8% in H1 FY 2018 to 71.0% in H1 FY 2019

Assets under Management

- AuM has grown by 20.1% from ₹ 1,050.7 billion as of September 30, 2017 to ₹ 1,261.7 billion as of September 30, 2018 with debt-equity mix of 77:23. 90% of the debt investments are in AAA and Sovereign instruments.

Net worth and capital position

- The Company's net worth increased by 14.7% from ₹ 61.8 billion as at September 30, 2017 to ₹ 70.9 billion as at September 30, 2018.
- The solvency ratio as at September 30, 2018 was at 2.21 as against the regulatory requirement of 1.50.
- Return on Equity (RoE) of 17.8% in H1 FY 2019 as compared to 18.4% in H1 FY 2018.

Distribution network

- The Company has strong distribution network of 169,662 trained insurance professional and widespread operations with 848 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 centres, insurance marketing firms, web aggregators and direct business. NBP channel mix for H1 FY 2019 is bancassurance channel 61%, agency channel 21%, and other channels 18%.

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 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 Company Limited (“SBI Life”/ “the Company”), established in 2001, is a joint venture between State Bank of India and BNP Paribas Cardif S.A. and is one of the leading life Insurance companies in India. SBI Life has an authorized capital of ₹ 20.0 billion and a paid up capital of ₹ 10.0 billion.

SBI Life offers a comprehensive range of life insurance and pension products at competitive prices, ensuring high standards of customer service and world class operating efficiency. The Company offers individual and group products which include savings and protection plans to address the insurance needs of diverse customer segments.

SBI Life has a multi-channel distribution network comprising of an expansive Bancassurance channel with SBI, which has an unrivalled strength of over 22,000 branches across the country. SBI Life also has a large and productive agent network comprising of 113,045 agents, as on September 30, 2018. The Company's other distribution channels include direct sales and sales through corporate agents, brokers, insurance marketing firms and other intermediaries. As on September 30, 2018, the Company has a widespread network of 848 offices across the Country to address customer needs effectively and efficiently. The Company had an AuM of ₹ 1,261.7 billion as of September 30, 2018.

The Company is listed on National Stock Exchange (“NSE”) and The Bombay Stock Exchange (“BSE”).

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 / Divya Shukla at +91-22-6191 0044 or email santosh.setty@sbilife.co.in / divya.shukla@sbilife.co.in

(₹1 billion = ₹ 100 crore)



Performance update – H1 FY2019

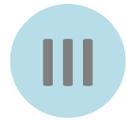
Investor Presentation / September 2018



Performance update



Strategy and initiatives



Growth drivers and industry overview



Annexure

Performance snapshot

₹ in billion

| | | H1 FY18 | H1 FY19 | Growth Rate | FY18 | 3 Yr CAGR |
|---|--------------------------|---------|---------|-------------|-------|-----------|
| Scale and Growth | New Business Premium | 42.8 | 55.7 | 30% | 109.7 | 26% |
| | New Business APE | 33.8 | 37.0 | 10% | 85.4 | 33% |
| | Individual Rated Premium | 30.6 | 34.1 | 11% | 77.9 | 36% |
| | Renewal Premium | 49.6 | 68.7 | 39% | 143.9 | 25% |
| | Gross Written Premium | 92.5 | 124.4 | 35% | 253.5 | 25% |
| Profitability and Return | Profit after tax | 5.4 | 6.0 | 12% | 11.5 | 12% |
| | Indian Embedded Value | 180.8 | 199.1 | 10% | 190.7 | - |
| | Value of New Business | 5.2 | 6.4 | 22% | 13.9 | - |
| | New Business Margin | 15.6% | 17.3% | - | 16.2% | - |
| | Solvency | 2.09 | 2.21 | - | 2.06 | - |
| IEV & VoNB with effective tax rate ¹ | Indian Embedded Value | NA | 211.7 | - | 201.7 | - |
| | Value of New Business | NA | 7.1 | - | 15.7 | - |
| | New Business Margin | NA | 19.2% | - | 18.4% | - |

- Growth in Individual Business Premium continues – Profitable growth for all the stakeholders
- VoNB margin increased to 17.3% and on effective tax rate basis is at 19.2%

Embedded Value and related numbers for FY18 and H1 FY19 have been reviewed by Independent Actuary

Embedded Value and related numbers for H1 FY18 have been calculated internally

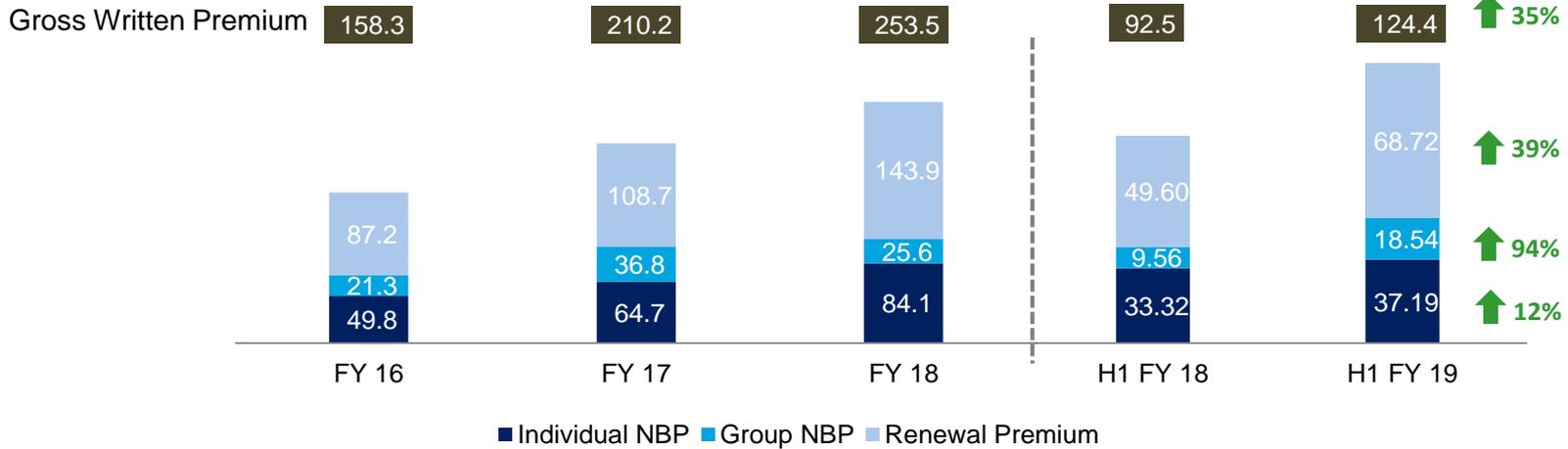
1. Effective tax rate assumes that a proportion of the projected profits are tax exempt on account of tax deductions available on income from dividends and tax free bonds

Numbers and Percentages are rounded off to nearest one decimal

Premium and market share

Continued growth in new business premium backed by strong growth in Individual Renewal Premium

₹ in billion



- Individual regular premium contributes 91% of individual new business premium
- 42% growth in individual renewal premium

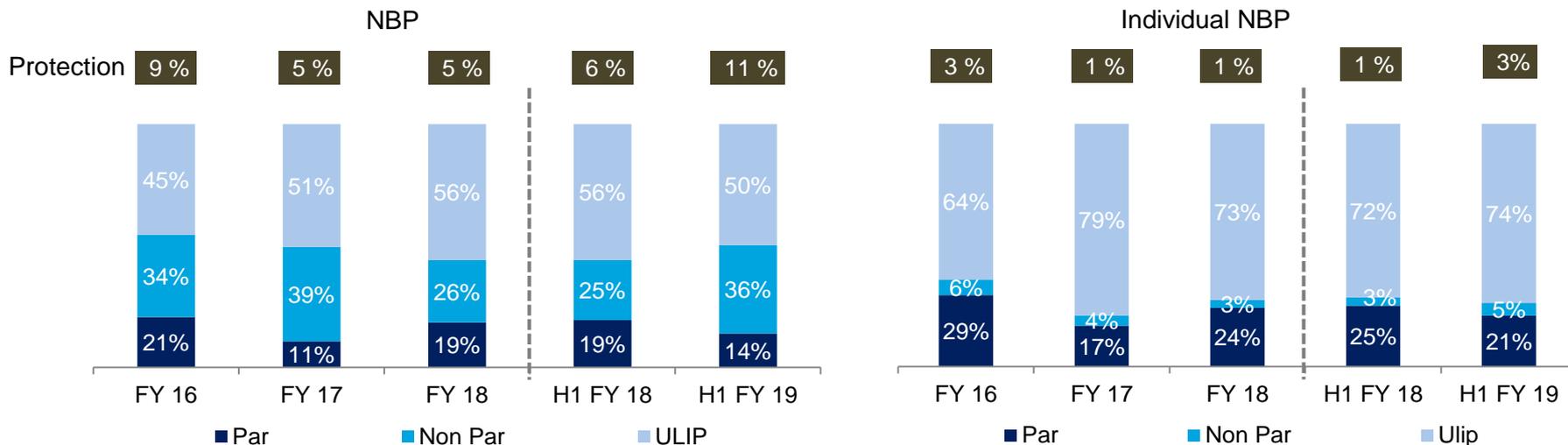
| Particulars | FY 16 | FY 17 | FY 18 | H1 FY 18 | H1 FY 19 |
|--|------------|-------------|-------------|-------------|---|
| New Business Premium (₹ billion)/ Ranking ¹ | 71.1 / 1 | 101.4 / 1 | 109.7 / 2 | 42.8 / 2 | 55.7 / 2 |
| Individual Rated Premium (₹ billion)/ Ranking ¹ | 42.8 / 2 | 59.4 / 2 | 77.9 / 1 | 30.6 / 2 | 34.1 / 1 ↑ |
| Market Share % | | | | | |
| - NBP Private/ Industry | 17.3 / 5.1 | 20.0 / 5.8 | 18.5 / 5.7 | 18.0 / 4.7 | 18.8 / 6.0 ↑ |
| - IRP Private/ Industry | 18.8 / 9.7 | 20.7 / 11.2 | 21.8 / 12.3 | 21.8 / 12.2 | 21.9 / 12.3 |

Growth in NBP by 30% while the private industry has grown by 24% and total industry has grown by 1%

1. Based on Life Insurance Council data for private insurers
Components may not add up to total due to rounding-off

Product portfolio

Diversified product portfolio – Increase in share of protection business



₹ in billion

| Product Mix ¹ | FY16 | FY17 | FY18 | H1 FY 18 | H1 FY 19 | Y-o-Y Growth | Mix (H1 FY 19) |
|------------------------------|-------------|--------------|--------------|-------------|-------------|--------------|----------------|
| Individual Savings | 48.3 | 63.7 | 83.5 | 33.0 | 36.2 | 10% | 65% |
| - Par | 14.7 | 10.9 | 20.3 | 8.3 | 7.8 | (7%) | 14% |
| - Non Par | 1.7 | 1.7 | 2.1 | 0.9 | 0.9 | 10% | 2% |
| - ULIP | 31.9 | 51.1 | 61.0 | 23.8 | 27.4 | 15% | 49% |
| Individual Protection | 1.5 | 1.0 | 0.6 | 0.3 | 1.0 | 256% | 2% |
| Group Protection | 4.8 | 3.9 | 5.4 | 2.1 | 4.8 | 127% | 9% |
| Group Savings | 16.5 | 32.8 | 20.2 | 7.4 | 13.7 | 84% | 25% |
| Total NBP | 71.1 | 101.4 | 109.7 | 42.9 | 55.7 | 30% | |

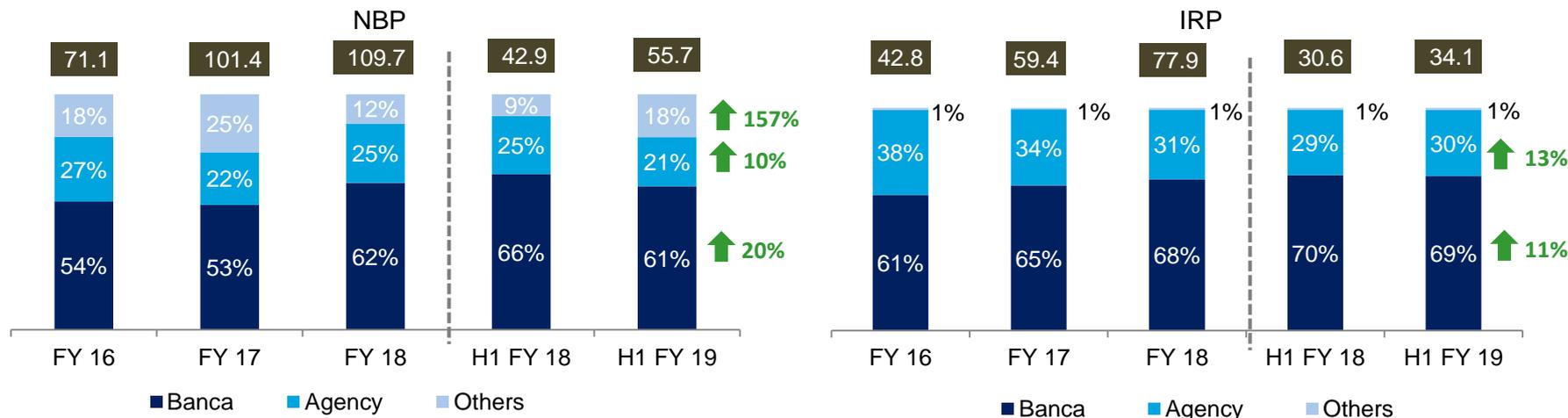
Strong growth of 142% in protection business

1. New business premium basis
Components may not add up to total due to rounding-off

Distribution strength

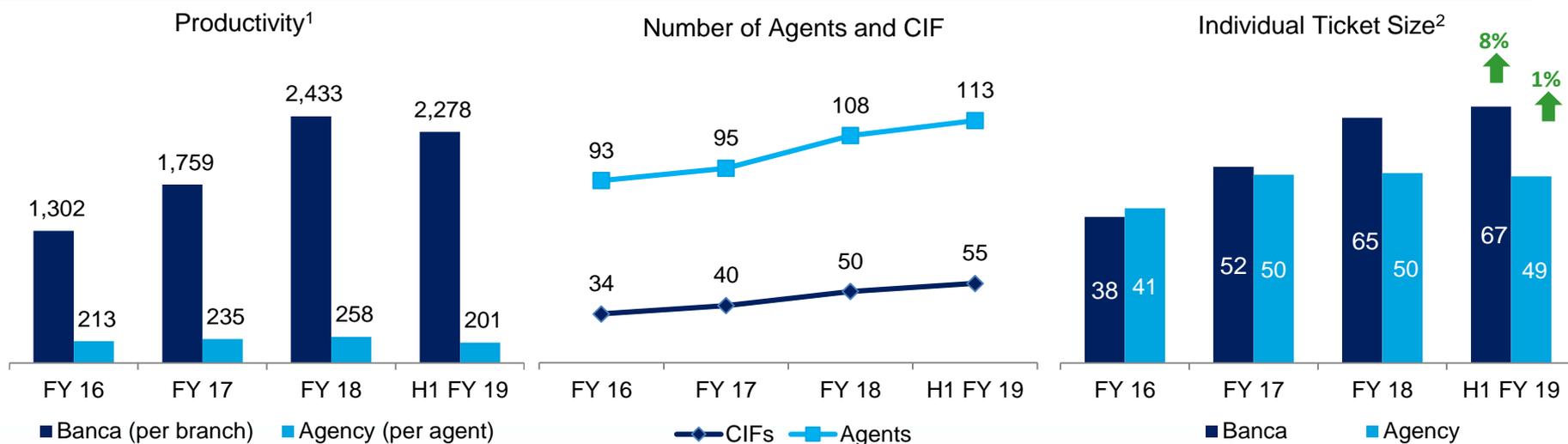
Multi-channel distribution

₹ in billion



Distribution reach, strength & efficiency

in '000s



1. Agent Productivity is calculated as the Individual NBP of Agency Channel divided by the average number of agents
Banca branch productivity is calculated as the Individual NBP of Banca channel divided by the average number of banca branches

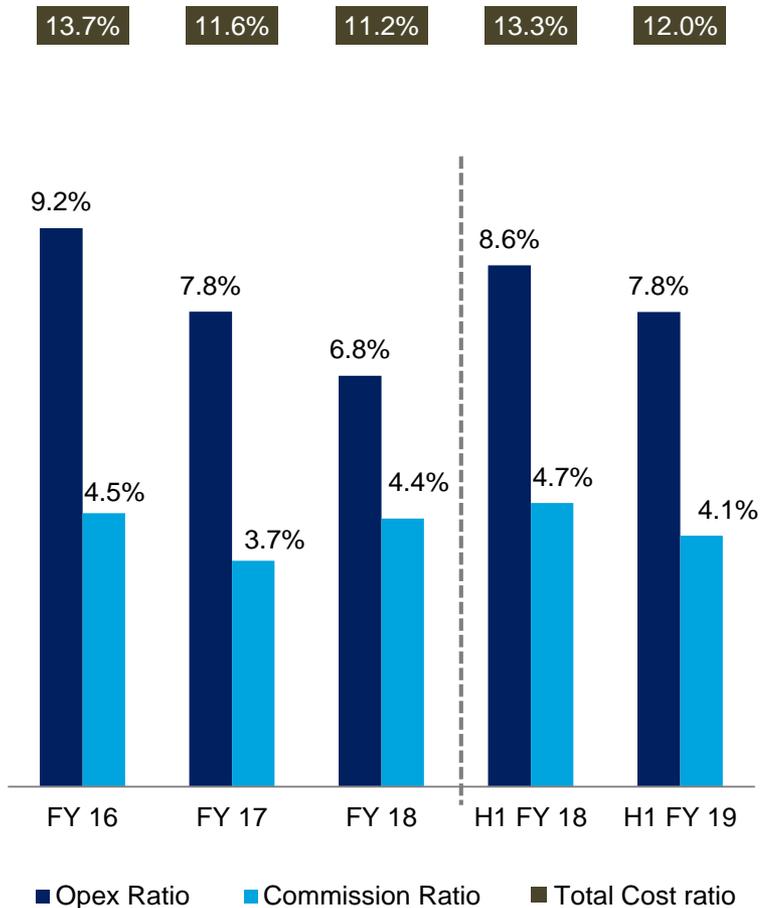
2. Individual ticket size is calculated as the Individual NBP of Channel divided by the number of individual policies

All growth/drop numbers are with respect to H1 FY 19 over H1 FY 18

Components may not add up to total due to rounding-off

Cost efficiency and profitability

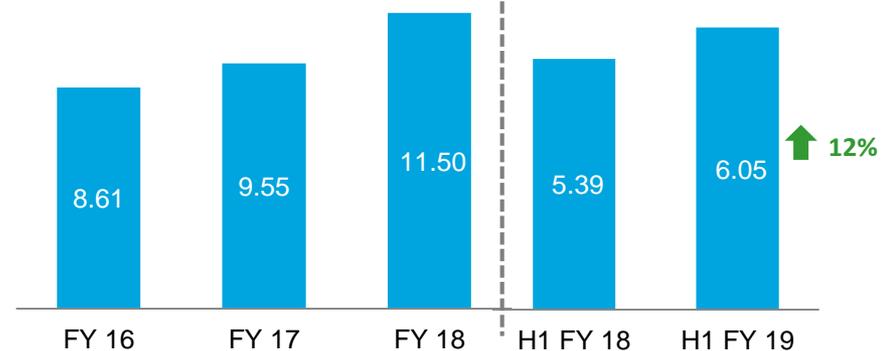
Cost ratios¹



Maintaining cost leadership through operational efficiency

Profit after tax

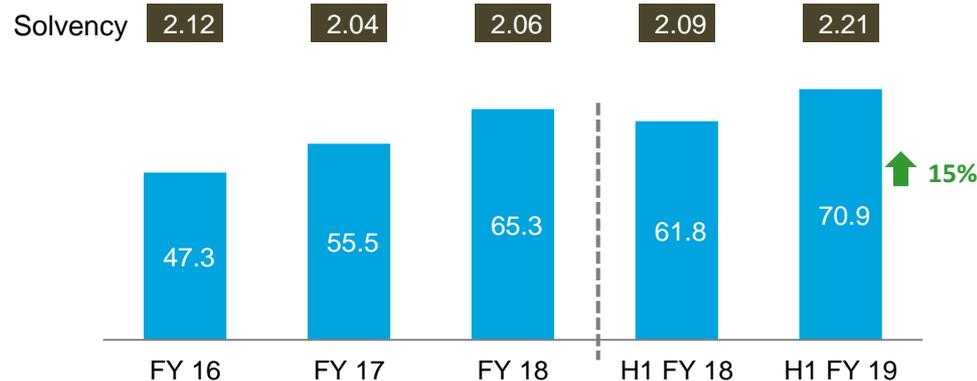
₹ in billion



Robust growth of 12% in profits

Networth & Solvency (%)

₹ in billion



Consistent increase in networth & strong solvency position

1. Opex ratio is operating expenses (excluding commission) divided by Gross Written Premium
 Commission ratio is commission expenses divided by Gross Written Premium
 Total cost ratio is operating expenses including commission, provision for doubtful debts and bad debts written off divided by Gross Written Premium
 Components may not add up to total due to rounding-off

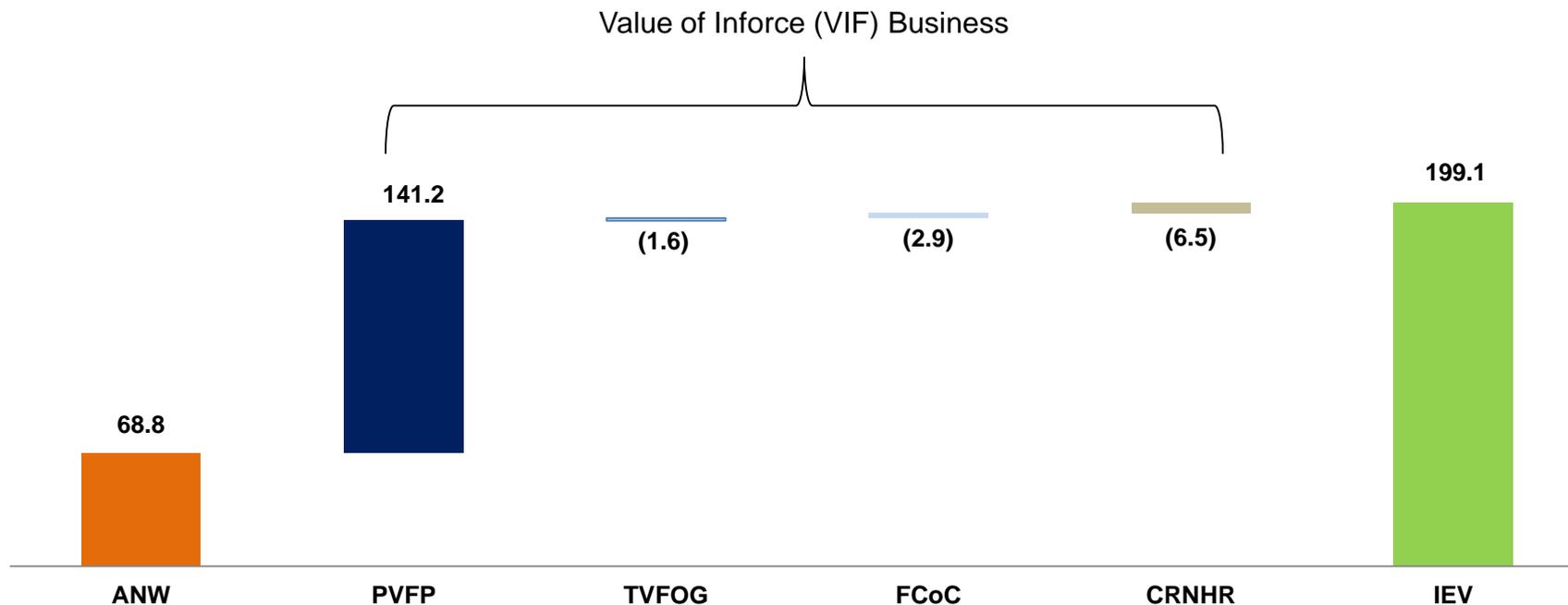
Components of Indian Embedded Value (IEV)

Indian Embedded Value (IEV)

₹ in billion

Embedded Value Operating Profit (EVOP): ₹ 13.9 billion

Operating Return on Embedded Value¹: 15.1%



1. The rate of income tax applied to the surplus is set at 14.56%
2. Tax deductions available by way of dividend income from equity etc. is not taken into consideration. Rate of taxation applied to individual pension business is zero
3. The Required Capital is taken at 180% of the Statutory RSM, which is the internally approved norm for the company

1. Annualized for H1 FY19

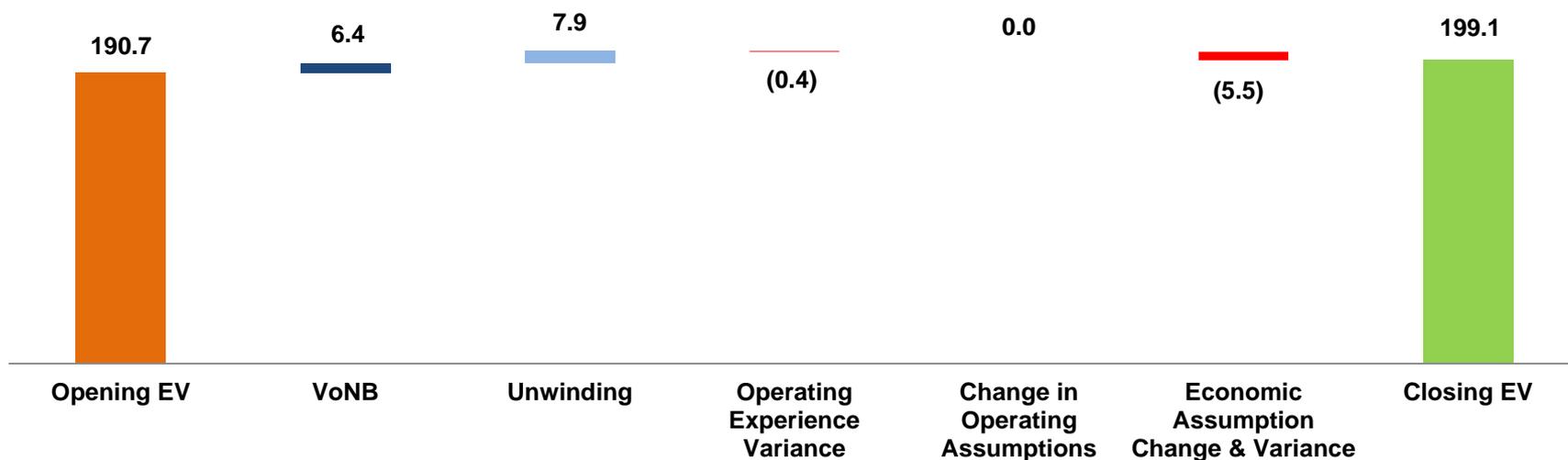
The methodology, assumptions and the results have been reviewed by Willis Towers Watson Actuarial Advisory LLP. Components may not add up to total due to rounding-off

Analysis of movement in IEV

Indian Embedded Value (IEV)

₹ in billion

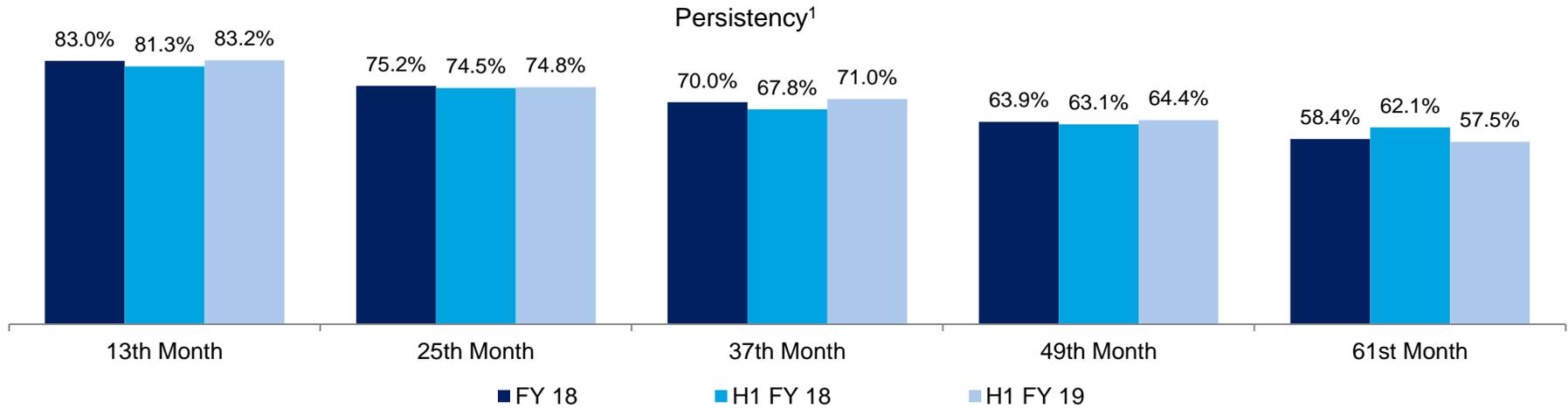
EV grown by 10% between H1 FY 18 to H1 FY 19



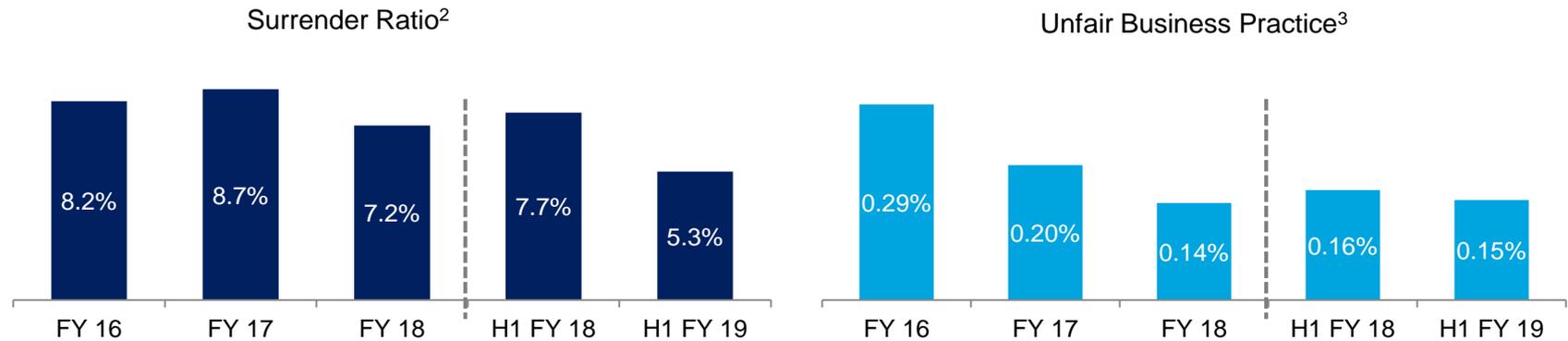
Components may not add up to total due to rounding-off

Customer retention and satisfaction

Customer retention through quality underwriting



Customer satisfaction metrics



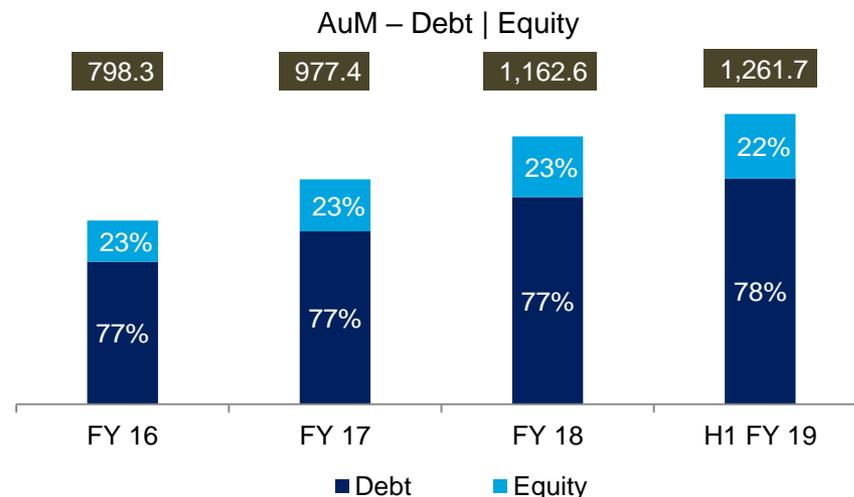
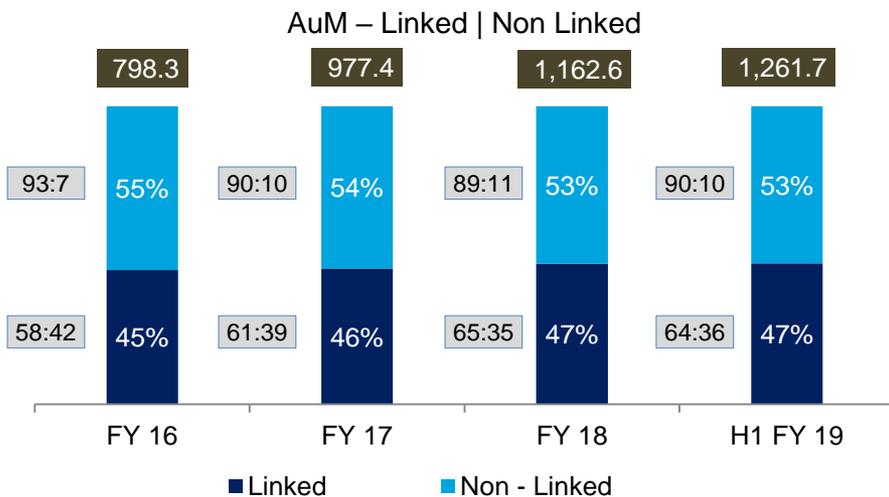
- Strong customer service ethos to promote ethical sales and ensure an improved overall customer experience
- Continuous customer engagement and awareness campaigns

1. The persistency ratios are calculated as per IRDAI circular dated 23rd January 2014. Single premium and fully paid-up policies are considered. Ratios are calculated based on premium.
 2. Surrender ratio-individual linked products (Surrender/average AuM).
 3. Number of grievances with respect to unfair business practice that are reported to the Company divided by policies issued by the Company in the same period.

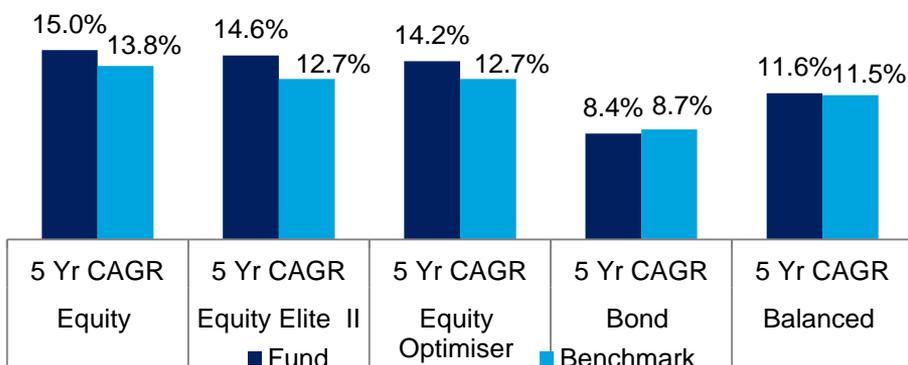
Asset under Management

Assets under Management growth

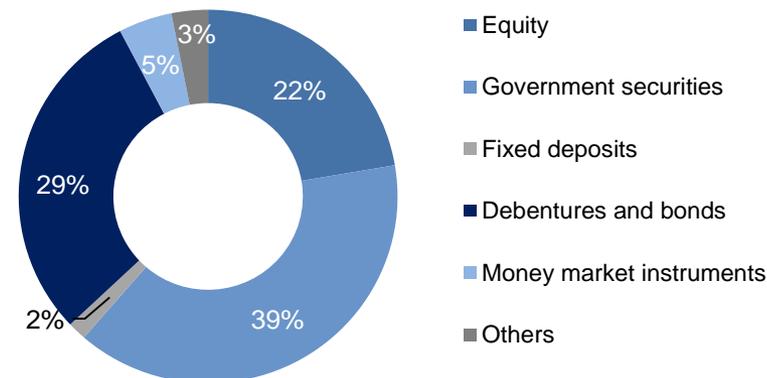
₹ in billion



Investment performance¹



Composition of Assets under Management



- AUM grown by 20% as compared to September 30, 2017
- 90% of the debt investments are in AAA and Sovereign instruments

1. 5 year CAGR as on September 30, 2018
Components may not add up to total due to rounding-off

Debt:Equity

Agenda

I Performance update

II Strategy and initiatives

III Growth drivers and industry overview

IV Annexure

Strategy

Growth Drivers



Under-penetration of Life Insurance



Increase in Affluent Class with rise in Savings



Protection Gap



Rising Healthcare Spending



Driving Digitisation

1

Leverage insurance industry growth through deeper penetration

- Number of lives covered ~ 24 millions
- Individual New Business Sum Assured increased by 35% to ₹ 495 billion
- Geographical spread – Individual new business premium well distributed across geographies
- Data Analytics for Cross-Sell and Up-Sell

2

Diversified product offerings

- Diversified product portfolio to suit customer segments like HNI, affluent, mass, millennial etc.
- Rising share of high-margin protection products – Individual Protection policies increased by 128% and Sum Assured by 132%

3

Expansive distribution network

- Strong distribution network of 169,662 trained insurance professional
- Widespread operation with 848 offices across country
- Digital platforms for increasing customer reach–53% increase in policies through Web Aggregators and Web Sales

4

Customer satisfaction and engagement

- Grievances under 40 policies per 10,000 policies
- Average TAT for mortality claim settlement of 3.8 days
- 67% of renewal premium collection through online mode

5

Profitable growth

- Maintain cost leadership – Decrease in Opex ratio to 7.8%
- Rising share of protection products
- Risk score based underwriting model using predictive analytics
- Improving persistency ratio

Digital Initiatives

Distribution Strength

Experienced and professional leaders

All growth/drop numbers are with respect to H1 FY 19 over H1 FY 18

Initiatives – Transforming customer experience

Digital



Robotics process automation in customer engagement – Ria Chatbot



Multiple payment options net-banking, UPI, BHIM, Web wallets



Advisors equipped with digital tools allow them to deliver advice seamlessly and raise sales productivity – 1,30,000 + download



Activity management for front line sales employees



E-Shiksha – Online tool for learning development of employees and distributors



Digitized end-to-end customer onboarding processes – Parivartan, M-Connect

Product innovation



Innovative protection products – Life stage rebalancing and medical second opinion



Launched insta protection policy issuance with YONO app - just 3 clicks



9x increase in number of digitally sourced individual protection policies compared to September 30, 2017



14,28,685 lives covered under other group term plans

Customer Service



“Customer First “ initiative launched to revamp entire customer journey



Multiple interaction channels for servicing SMS, IVR, Call-center, Website



CRM that provides 360 degree view of customers



Fund statements; policy reminders mailers



Net Promoter Score – Customer satisfaction and feedback on services and products

Agenda

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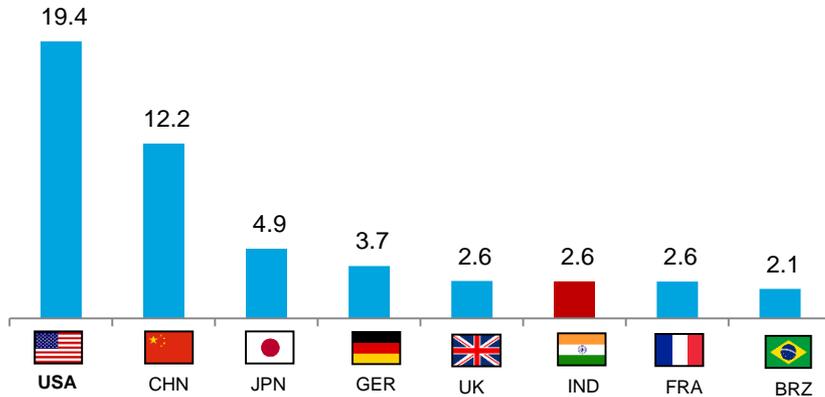
IV Annexure

India Life Insurance - Structural Growth Drivers in Place

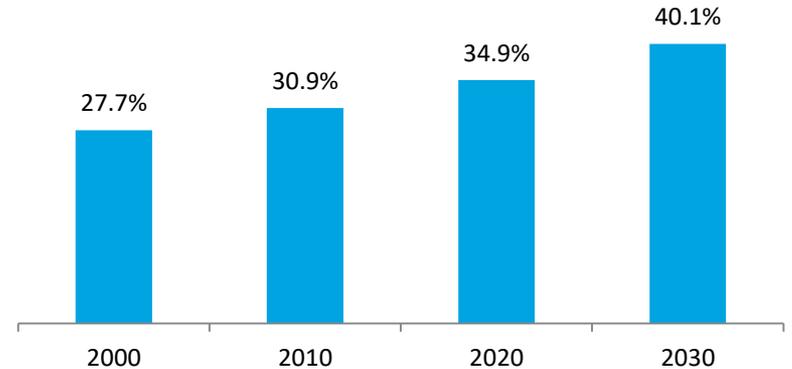
Strong Demographic Tailwinds Supporting India Growth Story

India 6th largest economy in the World

GDP in USD trillion¹

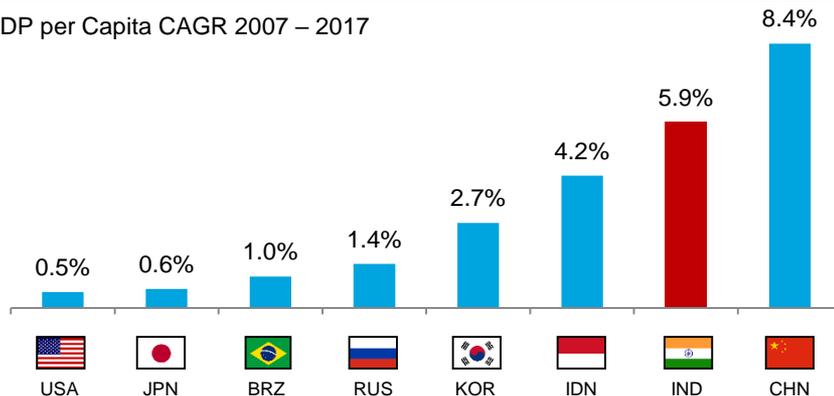


Rising share of India's urban population²

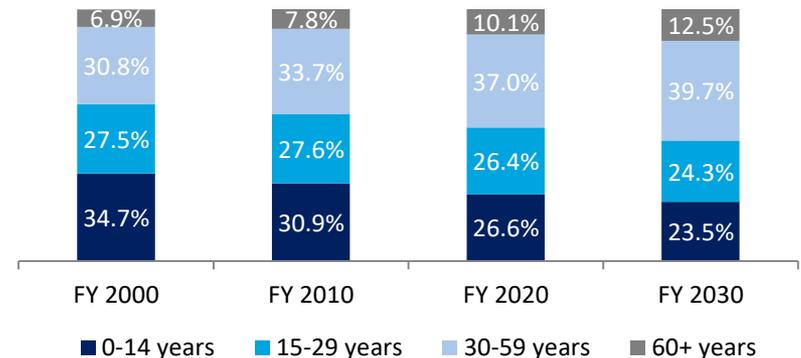


Rising Affluence¹

GDP per Capita CAGR 2007 – 2017



High Share of Working Population³



Combination of a high share of working population, rapid urbanisation & rising affluence to propel the growth of Indian life insurance sector

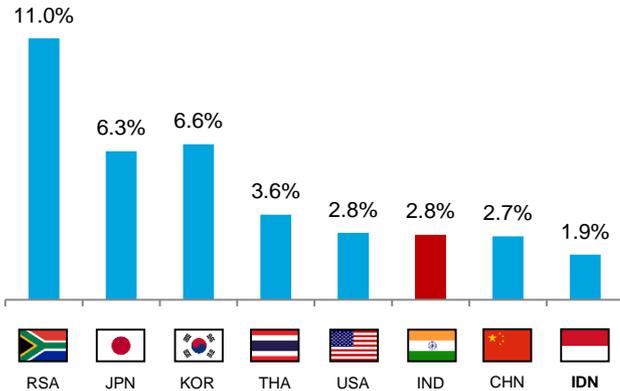
1. World Bank
 2. United Nations World Population Prospects
 3. United Nations World Urbanisation Prospects

Life Insurance – Significant Under Penetration versus other Markets

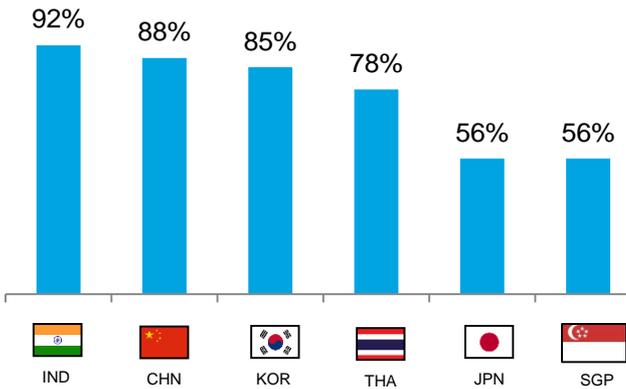
Share of Insurance in Savings expected to Rise

Underpenetrated Insurance Market¹

Premium as % of GDP – 2017



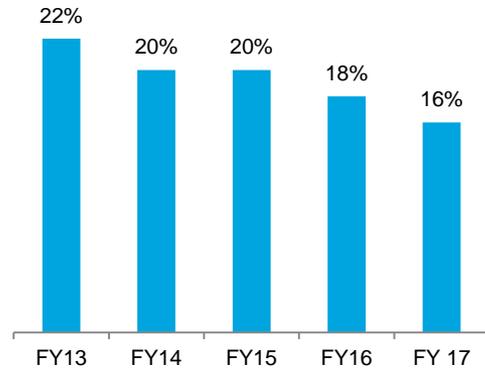
Protection margin highest amongst peers



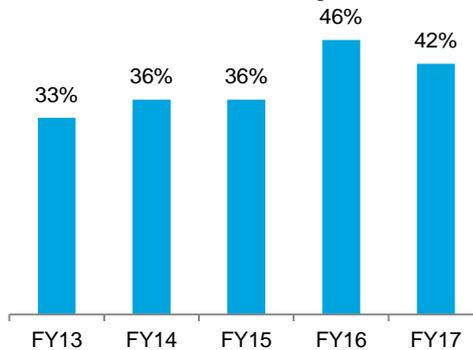
- 10th largest life insurance market worldwide and 5th largest in Asia with ₹4.6 trillion in total premium business
- Total premium grew at CAGR of 17% between FY01– FY18
- India continues to be under penetrated as compared to countries like Japan, Thailand and Korea

Financial Savings – Headed towards a Rebound²

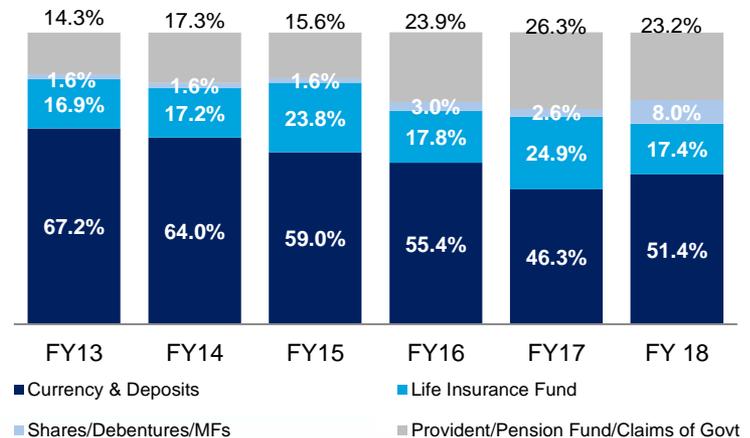
Household Savings as a % of GDP



Financial Savings as a % of Household Savings



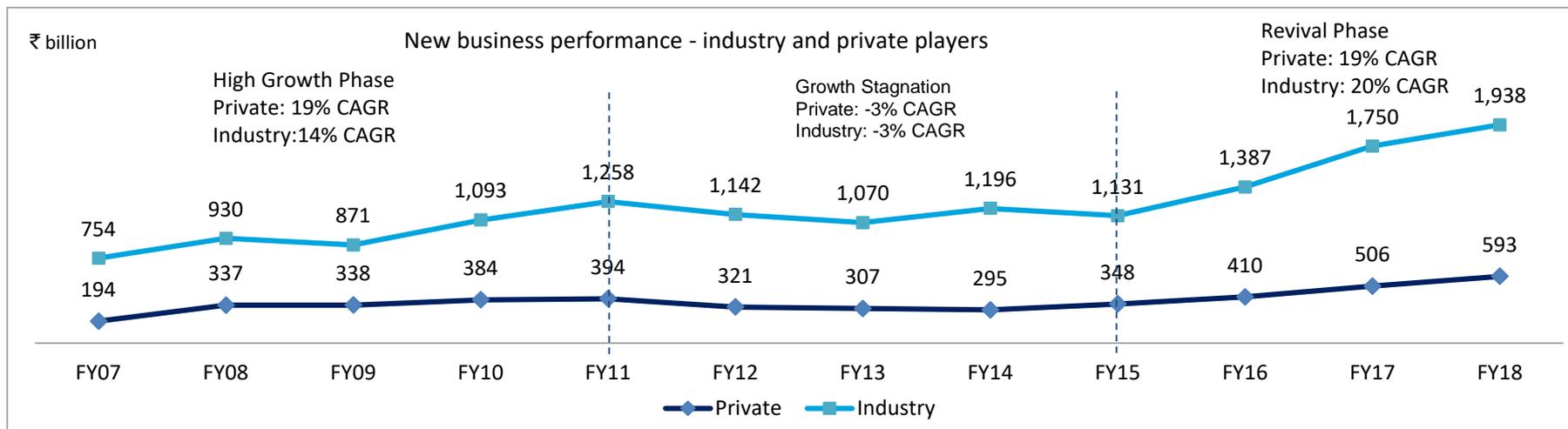
Rising share of Insurance in Financial Savings



1. Swiss Re, sigma No 3/2018

2. CSO, Reserve Bank of India, Handbook of Statistics on Indian Economy

Life insurance industry evolution in India



| Particulars | FY 11 | FY 15 | FY 17 | FY 18 |
|--|--------|--------|--------|--------|
| No. of Private players | 22 | 23 | 23 | 23 |
| Total Industry Premium (₹ billion) | 2,916 | 3,281 | 4,181 | 4,583 |
| Penetration ¹ as % of GDP | 4.2% | 2.6% | 2.8% | NA |
| Insurance Density ² (USD) | 55.7 | 44.0 | 48.7 | NA |
| Average individual policy ticket size – Total Industry (₹) | 17,176 | 21,403 | 29,419 | 32,716 |
| Average individual policy ticket size – Private Industry (₹) | 27,411 | 39,394 | 50,787 | 58,900 |
| No. of individual agents – Total Industry (lakhs) | 26.39 | 20.68 | 20.88 | 20.83 |
| No. of individual agents – Private Industry (lakhs) | 13.02 | 9.04 | 9.57 | 9.34 |

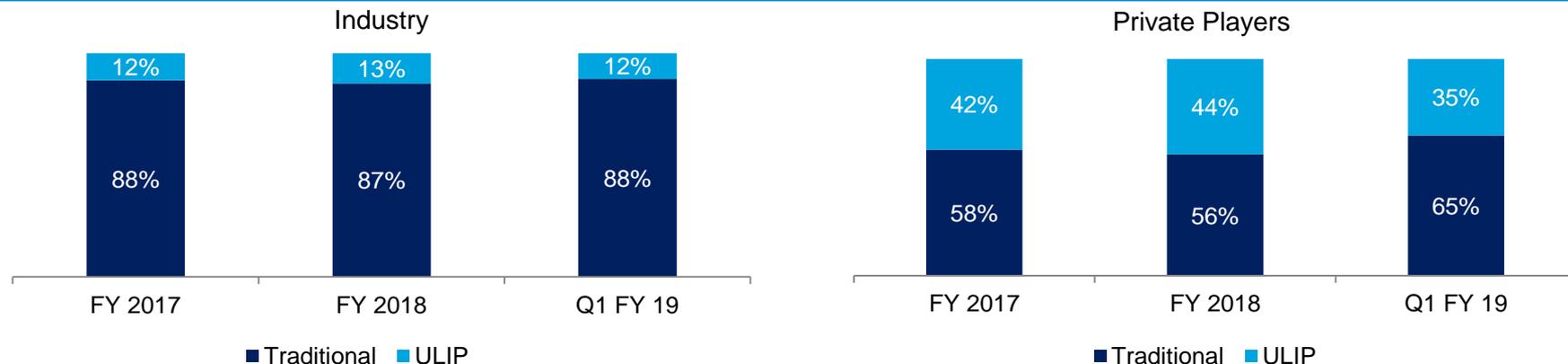
Source: IRDAI, Life Council, IMF, RBI, CSO

1. Insurance Premium as % of GDP

2. Premium per capita

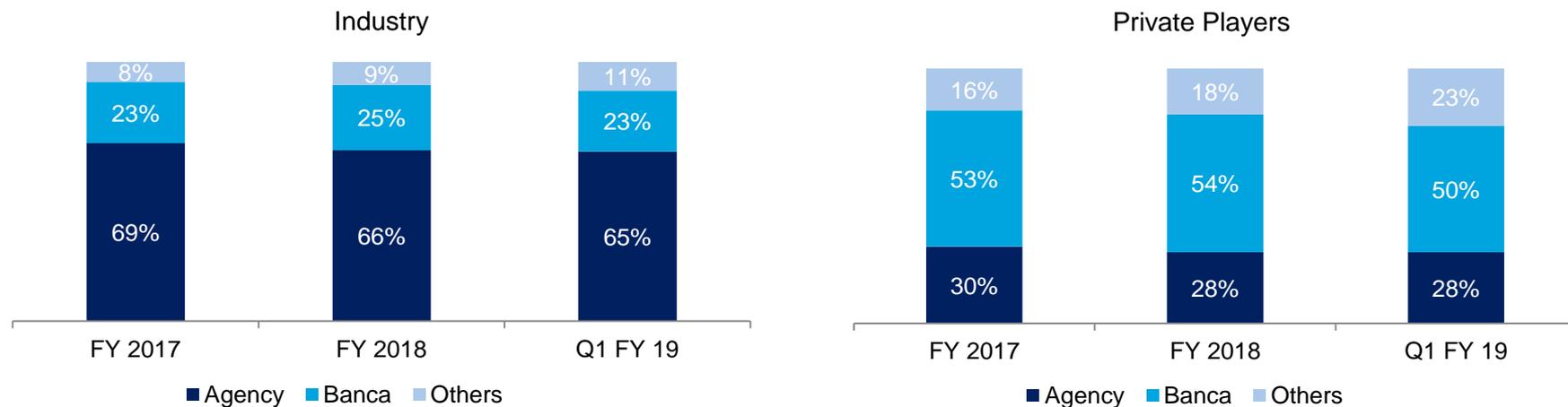
Product portfolio and Channel mix

Product portfolio¹



Higher ULIP contribution among private players, though traditional products forms the major share of new business

Channel mix²



Banca channel has continued to be the largest channel for private players year on year

1. New business premium basis

2. Individual new business premium basis

Source: Life Insurance Council, Public disclosures

Components may not add up to total due to rounding-off

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Annualised Premium Equivalent (APE)

₹ in billion

Product portfolio

| Segment | FY16 | FY17 | FY18 | H1 FY 18 | H1 FY 19 | Y-o-Y Growth | Mix (H1 FY 19) |
|---------------------------|-------------|-------------|-------------|-------------|-------------|--------------|----------------|
| Individual Savings | 43.1 | 59.4 | 78.5 | 31.1 | 33.6 | 9% | 91% |
| - Par | 15.5 | 11.2 | 20.9 | 8.6 | 8.0 | (7%) | 22% |
| - Non Par | 0.6 | 0.5 | 0.7 | 0.3 | 0.2 | (32%) | 3% |
| - ULIP | 26.9 | 47.7 | 56.9 | 22.0 | 25.4 | 15% | 69% |
| Individual Protection | 1.1 | 0.8 | 0.6 | 0.3 | 1.0 | 280% | 3% |
| Group Protection | 4.1 | 3.4 | 4.0 | 1.8 | 1.0 | (45%) | 3% |
| Group Savings | 2.1 | 3.7 | 2.4 | 0.8 | 1.4 | 79% | 4% |
| Total APE | 50.5 | 67.3 | 85.4 | 33.8 | 37.0 | 10% | |

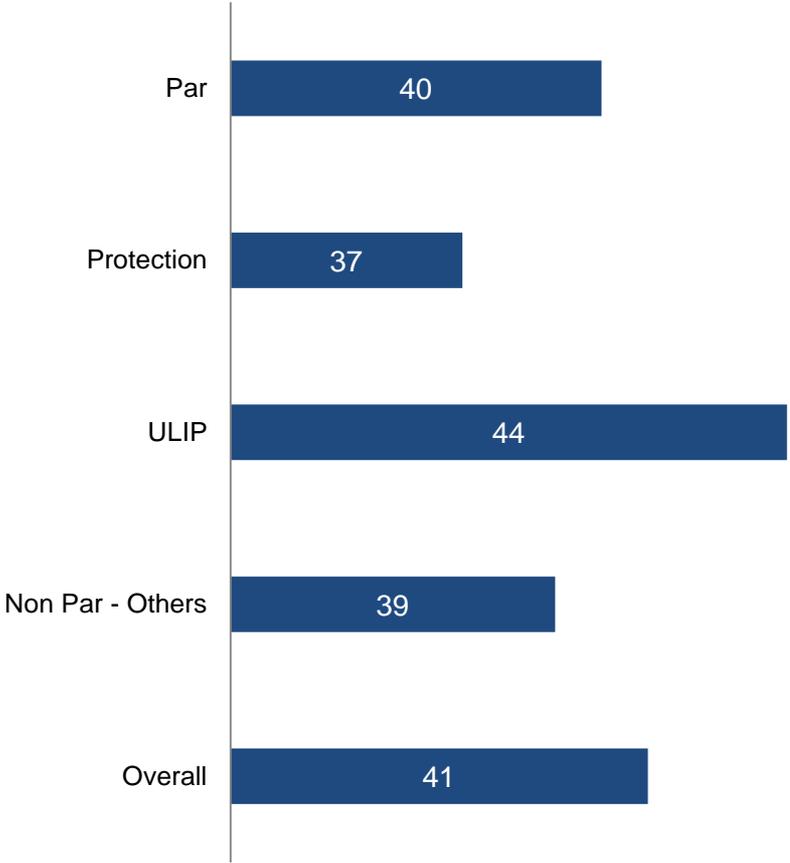
Channel mix

| Channel | FY16 | FY17 | FY18 | H1 FY 18 | H1 FY 19 | Y-o-Y Growth | Mix (H1 FY 19) |
|------------------|-------------|-------------|-------------|-------------|-------------|--------------|----------------|
| Banca | 27.8 | 40.4 | 55.9 | 22.8 | 24.6 | 8% | 67% |
| Agency | 17.7 | 20.9 | 25.6 | 9.6 | 10.5 | 10% | 28% |
| Others | 5.0 | 6.0 | 3.9 | 1.4 | 1.9 | 36% | 5% |
| Total APE | 50.5 | 67.3 | 85.4 | 33.8 | 37.0 | 10% | |

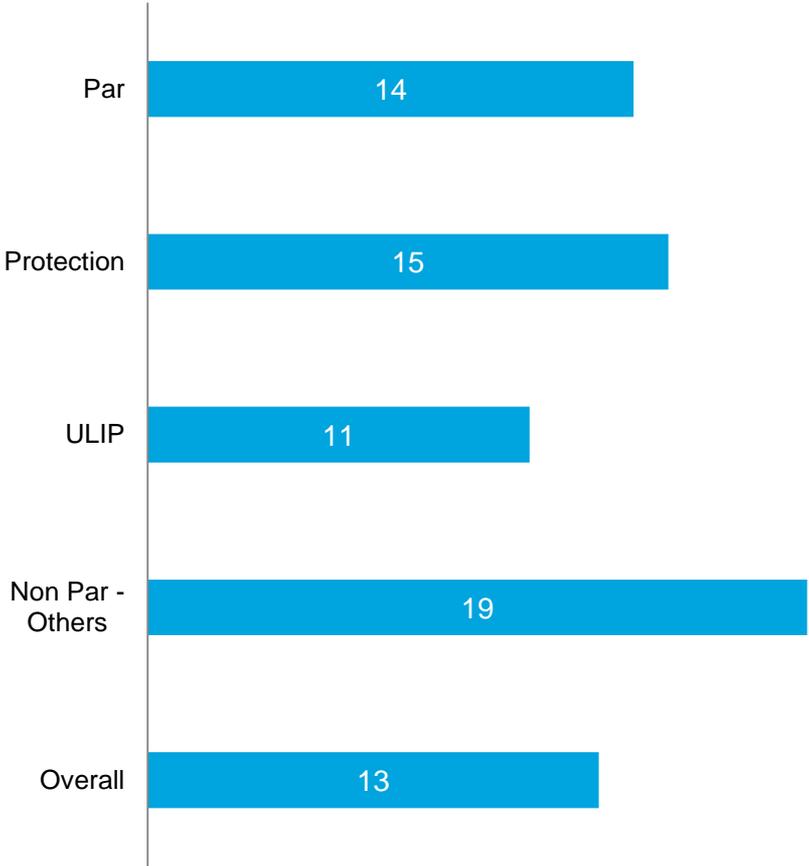
Components may not add up to total due to rounding-off

Customer Age and Policy Term¹

Average customer age in years



Average policy term in years



1. Age and term for individual products for H1 FY 19

Analysis of movement in IEV

₹ in billion

| IEV Movement Analysis - Components | H1 FY 19 |
|---|--------------|
| Opening IEV | 190.7 |
| Expected return on existing business | |
| At Reference Rate | 5.9 |
| At expected real-world return in excess of reference rate | 2.1 |
| Operating Assumptions Change | 0.0 |
| VoNB added during the period | 6.4 |
| Operating Experience Variance - Persistency | 0.4 |
| Operating Experience Variance – Expenses | 0.2 |
| Operating Experience Variance - Mortality and Morbidity | 0.2 |
| Operating Experience Variance - Others | (1.2) |
| IEV Operating Earnings (EVOP) | 13.9 |
| Economic Assumption Changes and Investment Variances | (5.5) |
| IEV Total Earnings | 8.4 |
| Capital Contributions / Dividends paid out | - |
| Closing IEV | 199.1 |

Components may not add up to total due to rounding-off

Sensitivity Analysis

| Scenario | Change in EV% H1 FY19 | Change in VoNB% H1 FY19 |
|---|--------------------------|----------------------------|
| Reference Rate +100 bps | (5%) | 3% |
| Reference Rate -100 bps | 7% | (3%) |
| Decrease in Equity Value 10% | (1%) | - |
| Proportionate change in lapse rate +10% | (1%) | (6%) |
| Proportionate change in lapse rate -10% | 1% | 6% |
| Mortality / Morbidity +10% | (2%) | (7%) |
| Mortality / Morbidity -10% | 2% | 7% |
| Maintenance Expense +10% | (1%) | (2%) |
| Maintenance Expense -10% | 1% | 2% |
| Mass Lapse for ULIPs in the year after the surrender penalty period of 25% ¹ | (2%) | (8%) |
| Mass Lapse for ULIPs in the year after the surrender penalty period of 50% ¹ | (5%) | (18%) |
| Tax Rate Change to 25% | (9%) | (18%) |

1. Mass lapse sensitivity (of 25% or 50%) for ULIP business is applied at the end of surrender penalty period as defined by APS 10, which is taken to be the beginning of 5th policy year for current generation of our ULIP products.

Revenue and Profit & Loss A/c

₹ in billion

| Particulars | FY 17 | FY 18 | H1 FY 18 | H1 FY 19 |
|--|--------------|--------------|--------------|--------------|
| Premium earned | 210.2 | 253.5 | 92.5 | 124.4 |
| Premium on reinsurance ceded | (1.6) | (1.9) | 1.0 | 0.3 |
| Net premium earned | 208.5 | 251.6 | 91.5 | 124.2 |
| Investment income ¹ | 97.0 | 89.0 | 51.5 | 42.9 |
| Other income | 0.8 | 0.8 | 0.4 | 0.4 |
| Total income (A) | 306.3 | 341.4 | 143.4 | 167.5 |
| Commission paid | 7.8 | 11.2 | 4.3 | 5.2 |
| Operating and other expenses ² | 19.0 | 21.0 | 9.5 | 11.8 |
| Provision for tax – policyholders' | 1.8 | 2.4 | 1.6 | 1.9 |
| Claims/benefits paid (net) ³ | 95.5 | 117.1 | 53.0 | 49.3 |
| Change in actuarial liability ⁴ | 172.4 | 177.9 | 69.4 | 93.1 |
| Total expenses (B) | 296.5 | 329.6 | 137.8 | 161.3 |
| Profit before tax (A-B) | 9.7 | 11.8 | 5.5 | 6.2 |
| Provision for tax – shareholders' | 0.2 | 0.3 | 0.2 | 0.1 |
| Profit after tax | 9.5 | 11.5 | 5.4 | 6.0 |

1. Net of Provision for diminution in the value of investment and provision for standard assets

2. Includes provision for doubtful debts (including write off) and service tax/GST on charges

3. Inclusive of interim bonus and terminal bonus

4. Includes movement in fund for future appropriation

Components may not add up to total due to rounding-off

Balance Sheet

₹ in billion

| Particulars | FY 17 | FY18 | H1 FY 18 | H1 FY 19 |
|--|--------------|----------------|----------------|----------------|
| SOURCES OF FUNDS | | | | |
| Share Capital | 10.0 | 10.0 | 10.0 | 10.0 |
| Reserves and Surplus | 44.6 | 53.7 | 50.0 | 59.8 |
| Credit/(Debit) Fair Value Change Account | 0.9 | 1.5 | 1.8 | 1.1 |
| Sub-Total | 55.5 | 65.3 | 61.8 | 70.9 |
| Credit/(Debit) Fair Value Change Account | 7.8 | 9.4 | 9.8 | 8.6 |
| Policy Liabilities | 483.2 | 555.6 | 508.2 | 598.3 |
| Provision for Linked Liabilities | 388.6 | 495.6 | 423.8 | 539.0 |
| Fair Value Change Account (Linked) | 37.9 | 31.1 | 41.4 | 28.2 |
| Funds for Discontinued Policies | 19.3 | 22.7 | 23.0 | 30.3 |
| Funds for Future Appropriation | - | 1.9 | 2.0 | 4.2 |
| Total Liabilities | 992.3 | 1,181.6 | 1,070.0 | 1,279.4 |
| APPLICATION OF FUNDS | | | | |
| Investments | | | | |
| -Shareholders | 43.0 | 50.1 | 49.9 | 57.7 |
| -Policyholders | 469.6 | 544.9 | 495.1 | 589.8 |
| -Assets held to cover Linked Liabilities | 445.7 | 549.4 | 488.2 | 597.5 |
| Loans | 1.8 | 1.7 | 1.7 | 1.7 |
| Fixed assets | 5.4 | 5.8 | 5.6 | 5.9 |
| Net Current Assets | 26.8 | 29.7 | 29.4 | 26.8 |
| Total Assets | 992.3 | 1,181.6 | 1,070.0 | 1,279.4 |

Components may not add up to total due to rounding-off

IEV Methodology and Approach (1/2)

Embedded Value is a measure of the consolidated value of shareholders' interest in the covered life insurance business. The embedded value has been determined by following a market consistent methodology, as per the requirements and principles set forth by the IAI within the APS10.

Components of Embedded Value:

IEV is calculated as the sum of Adjusted Net Worth (ANW) and Value of In-Force business (VIF).

ANW comprises Free Surplus (FS) and Required Capital (RC).

VIF consists of the following components:

- Present Value of Future Profits (PVFP) expected to emerge from the covered business;
- Less Frictional Cost of Capital (FCoC);
- Less Time Value of Financial Options and Guarantees (TVFOG);
- Less Cost of Residual Non-Hedgeable Risks (CRNHR).

Components of Adjusted Net Worth (ANW):

This is the value of all assets allocated to the covered business that are not required to back the liabilities of the covered business.

Free Surplus (FS): Free Surplus represents the market value of any assets in excess of liabilities and Required Capital which is potentially distributable to shareholders immediately. Free Surplus has been calculated as the excess of ANW over the Required Capital.

Required Capital (RC): Required Capital is the amount of assets attributed to the covered business over and above that required to back liabilities for the covered business. Required Capital has been set at 180% of the RSM, based on the Company's internal capital target. RSM has been projected by applying the solvency margin factors prescribed by the IRDAI appropriate to each line of business.

IEV Methodology and Approach (2/2)

Components of Value of Inforce (VIF) business:

Present Value of Future Profits (PVFP): PVFP represents the present value of future post taxation shareholder cash-flows projected to emerge from the in-force covered business and the assets backing liabilities of the in-force covered business. The PVFP incorporates an allowance for the intrinsic value of financial options and guarantees.

Frictional Cost of Capital (FCoC): Allowance is made for the impact of taxation on investment returns and for the impact of investment expenses (after tax) on the assets backing the projected Required Capital, together with an allowance for shareholders' fund expenses.

Time Value of Financial Options and Guarantees (TVFOG): Allowance is made for asymmetric impact on shareholder value due to any financial options and guarantees within the covered business.

Cost of Residual Non-Hedgeable Risks (CRNHR): A bottom-up assessment of risks has been undertaken to allow for the cost of residual non-hedgeable risks not already allowed for elsewhere. CRNHR has been estimated using a cost of capital approach.

Assumptions used for IEV Calculation:

The expense assumptions used in the IEV (Indian Embedded Value) estimation represent the unit costs arising out of actual experience of the FY 2017-18 and makes no allowance for any productivity gains/cost efficiencies beyond what is achieved up to the valuation date. Future expenses are assumed to increase at a rate of inflation of 5.5% p.a.

The Required Capital is taken at 180% of the Statutory RSM, which is the internally approved norm for the company.

The rate of income tax applied to the surplus is set at 14.56%. Tax deductions available by way of dividend income from equity etc. is not taken into consideration. Rate of taxation applied to individual pension business is zero.

The zero coupon government bond yield curve published by FIMMDA was used as the assumed reference rates.

Abbreviations

| Term | Description | Term | Description |
|--------------------|---------------------------------------|-----------------|--|
| GWP | Gross Written Premium | Opex | Operating Expenses (excluding commission) |
| NBP | New Business Premium | PAT | Profit After Tax |
| APE | Annualized Premium Equivalent | CAGR | Compounded Annual Growth Rate |
| IRP | Individual Rated Premium | GDP | Gross Domestic Product |
| AuM | Assets Under Management | CIF | Certified Insurance Facilitator |
| Banca | Bancassurance | FY | Financial Year ending 31 st March |
| ULIP | Unit Linked Insurance Plan | INR (₹) | Indian Rupees |
| PAR | Participating | USD (\$) | United States' Currency |
| NON PAR | Non-Participating | TAT | Turn Around Time |
| Traditional | Other than Unit Linked Insurance Plan | EVOP | Embedded Value Operating Profit |

Glossary

- **New Business APE:** The sum of annualized first year premiums on regular premium policies, and 10.00% of single premiums, written by the Company during the fiscal year from both retail and group customers
- **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
- **Individual Rated Premium (IRP):** New business premiums written by the Company under individual products and weighted at the rate of 10.00% for single premiums
- **Renewal Premium:** Life insurance premiums falling due in the years subsequent to the first year of the policy
- **Gross Written Premium (GWP):** The total premium written by the Company before deductions for reinsurance ceded
- **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):** Value of New Business 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
- **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

Disclaimer

Except for the historical information contained herein, statements in this presentation which contain words or phrases such as 'will', 'would', 'indicating', '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 to differ materially from those suggested by the forward-looking statements.

These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion in business, the impact of any acquisitions, technological implementation and changes, the actual growth in demand for insurance products and services, investment income, cash flow projections, our exposure to market risks, policies and actions of regulatory authorities; impact of competition; experience with regard to mortality and morbidity trends, lapse rates and policy renewal rates; the impact of changes in capital, solvency or accounting standards, tax and other legislations and regulations in the jurisdictions as well as other risks detailed in the reports filed by State Bank of India, our holding company. We undertake no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

The assumptions, estimates and judgments used in the calculations are evaluated internally where applicable and have been externally reviewed. They represent the best estimate based on the company's experience and knowledge of relevant facts and circumstances. While the management believes that such assumptions, estimates and judgments to be reasonable; the actual experience could differ from those assumed whereby the results may be materially different from those shown herein.

Thank you

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