

Performance for the year ended March 31, 2018

- **Market leadership in Individual New Business Premium with 30% Y-o-Y growth**
- **Value of New Business (VoNB) increased by 34%**
- **Embedded Value (IEV) rises to ` 190.7 billion**
- **Profit after tax increased by 21% to ` 11.5 billion in FY 2018**

Key measures of performance

(` in billion)

Particulars	FY 2018	FY 2017	Growth
New Business Annualized Premium Equivalent (APE)	85.4	67.3	26.9%
New Business Individual Rated Premium (IRP)	77.9	59.4	31.2%
New Business Premium Protection (Individual + Group)	6.0	4.9	23.1%
Renewal Premium	143.9	108.7	32.3%
Private Market Share based on IRP ¹	21.8%	20.7%	-
Persistency Ratios (based on premium) ²			
13 th month persistency	83.03%	81.07%	-
37 th month persistency	70.02%	67.36%	-
49 th month persistency	63.85%	62.46%	-
61 st month persistency	58.43%	67.18%	-
Operating expense ratio ³	6.8%	7.8%	-
Commission ratio	4.4%	3.7%	-
Total cost ratio ⁴	11.2%	11.6%	-
Value of New business (VoNB) ⁵	13.9	10.4	33.6%
VoNB Margin (%) ⁵	16.2%	15.4%	-
Indian embedded value (IEV) ⁵	190.7	165.4	15.3%
Profit after Tax (PAT)	11.5	9.5	20.5%
Assets under Management (AuM)	1,162.6	977.4	19.0%
Net Worth	65.3	55.5	17.6%
Solvency Ratio	2.06	2.04	-

1. Source : Life insurance council

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. Persistency Ratios for the year ended March 31, 2018 and March 31, 2017 are "upto the quarter" persistency calculated using policies issued in March to February period of the relevant years.

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. VoNB/VoNB Margin and IEV has been reviewed by Independent Actuary.

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 year ended March 31, 2018, following its meeting on Thursday, April 26, 2018 in Mumbai. The disclosure of financial results submitted to exchanges is annexed to this release.

New business growth and market share

- New Business APE increased by 26.9% in FY 2018 to ` 85.4 billion from ` 67.3 billion for the same period last year
- New Business Individual Rated Premium (IRP) has increased by 31.2% in FY 2018 to ` 77.9 billion from ` 59.4 billion for the same period last year
- Private market share based on IRP increased from 20.7% in FY 2017 to 21.8 % in FY 2018. While the overall market share based on IRP has increased from 11.1% in FY 2017 to 12.3% in FY 2018

Quality of business

- 13th month persistency stood at 83.03% for FY2018 as compared to 81.07% for FY 2017
- Renewal premium grew at 32.3% to ` 143.9 billion in FY 2018

Cost Efficiency

- Operating Expense ratio has decreased to 6.8% in FY 2018, from 7.8% in FY 2017

Profitability

- Value of New Business (VoNB) stood at ` 13.9 billion for FY2018
- VoNB margin of 16.2% for FY2018 as compared to 15.4% for FY2017
- PAT increased by 20.5% from ` 9.5 billion in FY 2017 to ` 11.5 billion in FY 2018

Assets under Management

- AuM has grown by 19% to ` 1,162.6 billion as of March 31, 2018, from ` 977.4 billion as of March 31, 2017

Net worth and capital position

- The Company's net worth increased by 17.6% from ₹ 55.5 billion as at March 31, 2017 to ₹ 65.3 billion as at March 31, 2018. The solvency ratio was at 2.06 as against the regulatory requirement of 1.50.

Performance for quarter ended March 31, 2018

- Individual Rated Premium grew by 10.2% in Q4 FY 2018
- New Business Premium Protection (Individual + Group) grew by 34.5%
- Renewal Premium grew by 31.8% in Q4 FY 2018
- Total Premium (GWP) increased by 25.7% in Q4 FY 2018
- Profit after tax grew by 13.4% from ₹ 3.4 billion in Q4 FY 2017 to ₹ 3.8 billion in Q4 FY 2018.
- Operating Expense to Gross Written Premium at 5.2% in Q4 FY 2018

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 108,261 agents, as on March 31, 2018. The Company's other distribution channels include direct sales and sales through corporate agents, brokers, insurance marketing firms and other intermediaries. As on March 31, 2018, the Company has a widespread network of 825 offices across the Country to address customer needs effectively and efficiently. The Company had an AuM of ` 1,162.6 billion as of March 31, 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)