

October 17, 2017

PERFORMANCE FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

- **Gross Direct Premium Income (GDPI) of the Company increased to ₹ 64.94 billion in H1 FY2018 compared to ₹ 55.65 billion in H1 FY2017, registering a growth of 16.7%**
- **Profit after tax (PAT) for H1 FY2018 grew at 38.5% to ₹ 4.18 billion compared to ₹ 3.02 billion in H1 FY2017**
- **Return on average equity (ROE) of 20.6% in H1 FY2018 compared to 17.9% in H1 FY2017**
- **Combined ratio improved to 102.7% in H1 FY 2018 from 106.0% in H1 FY 2017**
- **Interim dividend of ₹ 0.75 per share for Q2 FY2018**
- **The Solvency ratio was at 2.18x at September 30, 2017 as against 2.03x at September 30, 2016 and higher than the minimum regulatory requirement of 1.50x**

Operating Review

	H1FY2018	H1FY2017	Growth %	Q2FY2018	Q2FY2017	FY2017	FY2016
GDPI (₹ Bn)	64.94	55.65	16.7%	31.73	26.85	107.25	80.91
Profit After Tax (PAT) (₹ Bn)	4.18	3.02	38.5%	2.04	1.71	7.02	5.07
Return on average Equity (ROE)	20.6%*	17.9%*	-	20.2%*	20.0%*	20.3%	16.9%
Combined ratio (%)	102.7%	106.0%	-	102.8%	108.6%	103.9%	106.9%
Investment leverage (times)	3.93	3.84	-	3.93	3.84	3.88	3.64
Solvency Ratio (times)	2.18	2.03	-	2.18	2.03	2.10	1.82

*Annualised



- Market Leadership
 - The Company continues to maintain its market leadership amongst private sector general insurance companies.

- Diversified product mix*

Product Mix	H1FY2018	H1FY2017
Motor OD	22%	23%
Motor TP	16%	15%
Health and Personal Accident	17%	20%
Crop	25%	21%
Property	20%	21%

*proportion of Gross Direct Premium Income

- Combined ratio improved to 102.7% in H1 FY 2018 from 106.0% in H1 FY 2017
 - Loss ratio improved to 78.3 % in H1 FY 2018 from 83.3% in H1 FY 2017.
- Investment assets of ₹ 167.63 billion at September 30, 2017
 - Investment leverage (net of borrowings) of 3.93x at September 30, 2017.
- Capital position, Dividend and Network
 - The Solvency ratio was at 2.18x at September 30, 2017 as against 2.03x at September 30, 2016 and higher than the minimum regulatory requirement of 1.50x.
 - Interim dividend of ₹ 0.75 per share for Q2 FY2018.
 - Company's net worth was ₹ 41.39 billion at September 30, 2017.



Review of financial performance:

Summary of Revenue and Profit and Loss account

Particulars (₹ billion)	Three months ended			Six months ended		Year ended
	Sept 30, 2017	June 30, 2017	Sept 30, 2016	Sept 30, 2017	Sept 30, 2016	Mar 31, 2017
(1) Gross written premium	32.34	33.94	27.53	66.29	57.07	109.60
(2) Gross direct premium income	31.73	33.21	26.85	64.94	55.65	107.25
(3) Net written premium	19.45	20.27	15.79	39.71	34.00	65.95
(4) Net earned premium	18.11	15.34	16.30	33.45	30.29	61.64
(5) Net claims incurred	(14.22)	(11.97)	(13.67)	(26.20)	(25.23)	(49.54)
(6) Commission on reinsurance	2.60	2.50	2.19	5.10	4.38	9.04
(7) Management expenses	(7.33)	(7.41)	(5.94)	(14.74)	(11.92)	(24.86)
(8) U/w result	(0.84)	(1.55)	(1.11)	(2.39)	(2.47)	(3.74)
Investment income	3.71	4.55	3.55	8.26	6.83	12.84
Profit before tax	2.86	3.00	2.44	5.87	4.36	9.10
Provision for tax	(0.82)	(0.86)	(0.73)	(1.69)	(1.34)	(2.08)
Profit after tax	2.04	2.14	1.71	4.18	3.02	7.02
Combined Ratio	102.8%	102.4%	108.6%	102.7%	106.0%	103.9%
Loss ratio (5 / 4)	78.5%	78.1%	83.8%	78.3%	83.3%	80.4%

- The performance highlights for H1 FY2018 are given below:
 - Gross Written Premium increased by 16.1% to ₹ 66.29 billion in H1 FY2018 compared to ₹ 57.07 billion in H1 FY2017.
 - Motor portfolio grew by 16.1% in Gross Written Premium amounting to ₹ 24.94 billion in H1 FY2018 compared to ₹ 21.46 billion in H1 FY2017.
 - Retail, corporate and Government (Govt) Sponsored health contributed 54.4%, 43.2% and 2.4% respectively of health GDPI in H1 FY2018 and 44.3%, 34.4% and 21.3% respectively of health GDPI in H1 FY2017.
 - Growth in retail health was 17.5% in H1 FY2018.





— GENERAL INSURANCE —

- Crop Insurance portfolio recorded a growth of 36.6% in Gross Written Premium amounting to ₹ 16.28 billion in H1 FY2018 compared to ₹ 11.92 billion in H1 FY 2017.
- Net premium earned increased by 10.4% to ₹ 33.45 billion in H1 FY2018 compared to ₹ 30.29 billion in H1 FY2017.
- Claims incurred increased by 3.8% to ₹ 26.20 billion in H1 FY2018 compared to ₹ 25.23 billion in H1 FY2017 due to improvement in loss ratio to 78.3% in H1 FY2018 as compared to 83.3% in H1 FY2017. Claims incurred include losses of net claims of ₹ 0.18 billion on account of the recent floods in Q2 FY2018.
- Management expenses increased to ₹ 14.74 billion H1 FY2018 from ₹ 11.92 billion in H1 FY2017 primarily due to an increase in employee remuneration and welfare benefits, business support services in line with the increase in business volumes and increase in sales promotion.
- Investment income for H1 FY2018 increased to ₹ 8.26 billion from ₹ 6.83 billion in H1 FY2017. Capital Gains in H1 FY2018 increased to ₹ 3.20 billion from ₹ 2.55 billion in H1 FY2017. Unrealized gains on investments assets as at September 30, 2017 was ₹ 10.3 billion.
 - Investment income for Q2 FY2018 increased to ₹ 3.71 billion from ₹ 3.55 billion for Q2 FY2017. Capital Gains in Q2 FY2018 were ₹1.04 billion and ₹1.34 billion in Q2 FY 2017.
- Profit after tax increased by 38.5% to ₹ 4.18 billion in H1 FY 2018 from ₹ 3.02 billion in H1 FY 2017.

Notes:

Combined Ratio = (Net incurred claims/ Net earned premium) + (Management Expenses – Commission on Reinsurance)/ Net Written Premium

Management Expenses = Commission paid direct + Operating expenses related to insurance business

Investment Leverage = Total investments assets (net of borrowings)/Net Worth





About ICICI Lombard General Insurance Company Ltd.

We were the largest private-sector non-life insurer in India based on Gross Direct Premium Income in fiscal 2017, a position we have maintained since fiscal 2004 after being one of the first few private-sector companies to commence operations in the sector in fiscal 2002. We offer our customers a comprehensive and well-diversified range of products, including motor, health, crop/weather, fire, personal accident, marine, engineering and liability insurance, through multiple distribution channels. More details are available at www.icicilombard.com

For further press queries please get in touch with Girish Kalra – 022 61961461/ Seema Jadhav – 022 61961451) or email to corporate.communication@icicilombard.com

For investor queries please get in touch with Vikas Mehra – 022 61961331 or email to investors@icicilombard.com

