

January 16, 2018

**PERFORMANCE FOR THE QUARTER AND NINE MONTHS ENDED  
DECEMBER 31, 2017**

- **Gross Direct Premium Income (GDPI) of the Company increased to ₹ 94.31 billion in 9M FY2018 compared to ₹ 80.59 billion in 9M FY2017, registering a growth of 17.0%**
  - **Gross Direct Premium Income (GDPI) of the Company increased to ₹ 29.37 billion in Q3 FY2018 compared to ₹ 24.94 billion in Q3 FY2017, registering a growth of 17.8%**
- **Combined ratio improved to 100.4% in 9M FY 2018 from 106.2% in 9M FY 2017**
  - **Combined ratio improved to 96.0% in Q3 FY 2018 from 106.6% in Q3 FY 2017**
- **Profit before tax (PBT) for 9M FY2018 grew at 37.4% to ₹ 9.09 billion compared to ₹ 6.61 billion in 9M FY2017 and Profit after tax (PAT) for 9M FY2018 grew at 24.5% to ₹ 6.50 billion compared to ₹ 5.22 billion in 9M FY2017**
  - **Profit before tax (PBT) for Q3 FY2018 grew at 42.8% to ₹ 3.22 billion compared to ₹ 2.25 billion in Q3 FY2017 and Profit after tax (PAT) for Q3 FY2018 grew at 5.2% to ₹ 2.32 billion compared to ₹ 2.20 billion in Q3 FY2017.**
    - **PAT of Q3 FY2017 and 9M FY2017 included effect of excess tax provision written back of earlier years of ₹ 0.40 billion.**
    - **The PAT growth for Q3 FY2018 and 9M FY2018 would be 28.9% and 34.9% respectively adjusting for the above tax written back.**
- **Return on average equity (ROE) of 21.1% in 9M FY2018 compared to 20.3% in 9M FY2017**



- Return on average equity (ROE) of 22.4% in Q3 FY2018 compared to 20.4% in Q3 FY2017
- The solvency ratio was at 2.21x at December 31, 2017 as against 2.01x at December 31, 2016 and higher than the minimum regulatory requirement of 1.50x

### Operating Review

	9M FY2018	9M FY2017	Growth %	Q3 FY2018	Q3 FY2017	Growth %	FY2017	FY2016
<b>GDPI (₹ Bn)</b>	<b>94.31</b>	<b>80.59</b>	<b>17.0%</b>	<b>29.37</b>	<b>24.94</b>	<b>17.8%</b>	<b>107.25</b>	<b>80.91</b>
<b>Combined ratio (%)</b>	<b>100.4</b>	<b>106.2</b>	<b>-</b>	<b>96.0</b>	<b>106.6</b>	<b>-</b>	<b>103.9</b>	<b>106.9</b>
<b>Profit Before Tax (PBT) (₹ Bn)</b>	<b>9.09</b>	<b>6.61</b>	<b>37.4%</b>	<b>3.22</b>	<b>2.25</b>	<b>42.8%</b>	<b>9.1</b>	<b>7.1</b>
<b>Profit After Tax (PAT) (₹ Bn)</b>	<b>6.50</b>	<b>5.22*</b>	<b>24.5%</b>	<b>2.32</b>	<b>2.20*</b>	<b>5.2%</b>	<b>7.02</b>	<b>5.07</b>
<b>Return on Equity (ROE)</b>	<b>21.1%**</b>	<b>20.3%**</b>	<b>-</b>	<b>22.4%**</b>	<b>20.4%**</b>	<b>-</b>	<b>20.3%</b>	<b>16.9%</b>
<b>Investment leverage (times)</b>	<b>3.89</b>	<b>3.87</b>	<b>-</b>	<b>3.89</b>	<b>3.87</b>	<b>-</b>	<b>3.88</b>	<b>3.64</b>
<b>Solvency Ratio (times)</b>	<b>2.21</b>	<b>2.01</b>	<b>-</b>	<b>2.21</b>	<b>2.01</b>	<b>-</b>	<b>2.10</b>	<b>1.82</b>
<b>Book value per share (₹)</b>	<b>95.4</b>	<b>79.6</b>	<b>-</b>	<b>95.4</b>	<b>79.6</b>	<b>-</b>	<b>82.6</b>	<b>71.0</b>
<b>Basic earnings per share (₹)</b>	<b>14.34</b>	<b>11.66</b>	<b>-</b>	<b>5.11</b>	<b>4.92</b>	<b>-</b>	<b>15.66</b>	<b>11.35</b>

1. \*Includes effect of excess tax provision written back of earlier years of ₹ 0.40 billion
2. \*\* Annualised

- Market Leadership
  - The Company continued to maintain its market leadership amongst private sector general insurance companies.
- Diversified product mix\*
  - The Company continued to operate with a diversified product portfolio in 9M FY2018.

Product Mix	9MFY2018	9MFY2017
Motor OD	25%	26%
Motor TP	17%	16%
Health and Personal Accident	18%	19%
Crop	20%	20%
Property	20%	19%

\*proportion of Gross Direct Premium Income

- Combined ratio improved to 100.4% in 9M FY 2018 from 106.2% in 9M FY 2017
  - Loss ratio improved to 76.3% in 9M FY 2018 from 82.1% in 9M FY 2017
- Investment assets of ₹ 173.18 billion at December 31, 2017
  - Investment leverage (net of borrowings) of 3.89x at December 31, 2017
- Capital position and Network
  - The Solvency ratio was at a healthy 2.21x at December 31, 2017 as against 2.01x at December 31, 2016 and higher than the minimum regulatory requirement of 1.50x.
  - Company's net worth was ₹ 43.29 billion at December 31, 2017.





## Review of financial performance

Particulars (₹ billion)	Three months ended			Nine months ended		Year ended
	Dec 31, 2017	Sept 30, 2017	Dec 31, 2016	Dec 31, 2017	Dec 31, 2016	Mar 31, 2017
(1) Gross written premium	30.02	32.34	25.42	96.30	82.50	109.60
(2) Gross direct premium income	29.37	31.73	24.94	94.31	80.59	107.25
(3) Net written premium	19.66	19.45	15.97	59.37	49.97	65.95
(4) Net earned premium	17.51	18.11	15.43	50.95	45.72	61.64
(5) Net claims incurred	(12.68)	(14.22)	(12.31)	(38.88)	(37.54)	(49.54)
(6) Commission on reinsurance	2.39	2.60	2.24	7.49	6.63	9.04
(7) Management expenses	(7.49)	(7.33)	(6.56)	(22.23)	(18.47)	(24.86)
(8) U/w result	(0.28)	(0.84)	(1.19)	(2.67)	(3.67)	(3.74)
Investment income	3.50	3.71	3.44	11.76	10.27	12.84
Profit before tax	3.22	2.86	2.25	9.09	6.61	9.10
Provision for tax	(0.91)	(0.82)	(0.05)	(2.59)	(1.39)	(2.08)
Profit after tax	2.32	2.04	2.20	6.50	5.22	7.02
Combined Ratio	96.0%	102.8%	106.6%	100.4%	106.2%	103.9%
Loss ratio (5) /(4)	72.5%	78.5%	79.8%	76.3%	82.1%	80.4%

- The performance highlights for 9M FY2018 are given below:
  - Gross written premium increased by 16.7% to ₹ 96.30 billion in 9M FY2018 compared to ₹ 82.50 billion in 9M FY2017.
    - Motor portfolio grew by 16.4% in Gross written premium amounting to ₹ 39.53 billion in 9M FY2018 compared to ₹ 33.99 billion in 9M FY2017.
    - Retail, Corporate and Government (Govt) Sponsored health policies contributed 57.3%, 39.8% and 2.9% respectively of health GDPI in 9M FY2018 compared to 50.8%, 32.0% and 17.2% respectively of health GDPI in 9M FY2017
    - Growth in retail health was 17.3% in 9M FY 2018





- Crop Insurance portfolio recorded a growth of 17.5% in Gross written premium amounting to ₹ 18.82 billion in 9M FY2018 compared to ₹ 16.01 billion in 9M FY 2017
- Net premium earned increased by 11.4% to ₹ 50.95 billion in 9M FY2018 compared to ₹ 45.72 billion in 9M FY2017
- Reinsurance Commission increased by 13.0% to ₹ 7.49 billion in 9M FY2018 compared to ₹ 6.63 billion in 9M FY2017 in line with increase in premium on reinsurance ceded
- Claims incurred increased by 3.6% to ₹ 38.88 billion in 9MFY2018 compared to ₹ 37.54 billion in 9M FY2017 due to improvement in loss ratio to 76.3% in 9M FY2018 as compared to 82.1% in 9MFY2017
- Management expenses increased to ₹ 22.23 billion from ₹ 18.47 billion primarily due to an increase in employee remuneration and welfare benefits, business support services in line with the increase in business volumes and provision for doubtful debts of ₹ 0.55 billion created on account of erstwhile policies issued under government sponsored health insurance scheme (RSBY)
- Investment income for 9M FY2018 increased to ₹ 11.76 billion from ₹ 10.27 billion in 9M FY2017. Capital Gains for 9M FY2018 increased to ₹ 4.03 billion from ₹ 3.69 billion in 9M FY2017. Unrealized gains on investments assets as at December 31, 2017 were ₹ 9.12 billion
  - Investment income for Q3 FY 2018 increased to ₹ 3.50 billion from ₹ 3.44 billion for Q3 FY 2017. Capital Gains in Q3 FY 2018 were ₹ 0.83 billion and ₹ 1.14 billion in Q3 FY 2017
- Profit after tax increased by 24.5% to ₹ 6.50 billion in 9M FY 2018 from ₹ 5.22 billion in 9M 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 Investment assets (net of borrowing)/ 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, fire, personal accident, marine, engineering and liability insurance, through multiple distribution channels. More details are available at [www.icicilombard.com](http://www.icicilombard.com)

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