

Investor Presentation

Agenda

Industry overview

Company overview & strategy

ICICI Lombard performance

Agenda

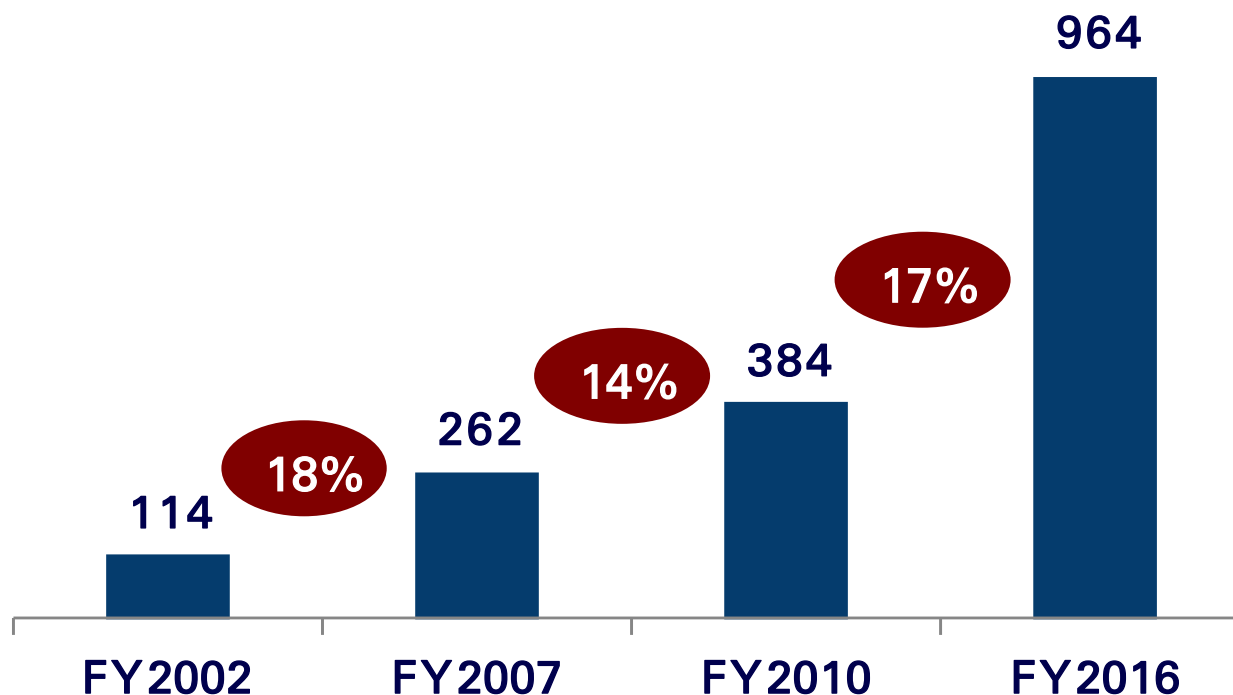
Industry overview

Company overview & strategy

ICICI Lombard performance

Industry has witnessed steady growth

₹ billion



- Industry has grown at CAGR of 16% in the last 15 years
- Industry GDPI for 9M-2017 : ₹ 915 billion (Growth - 31%)

Industry product mix

GDPI

114

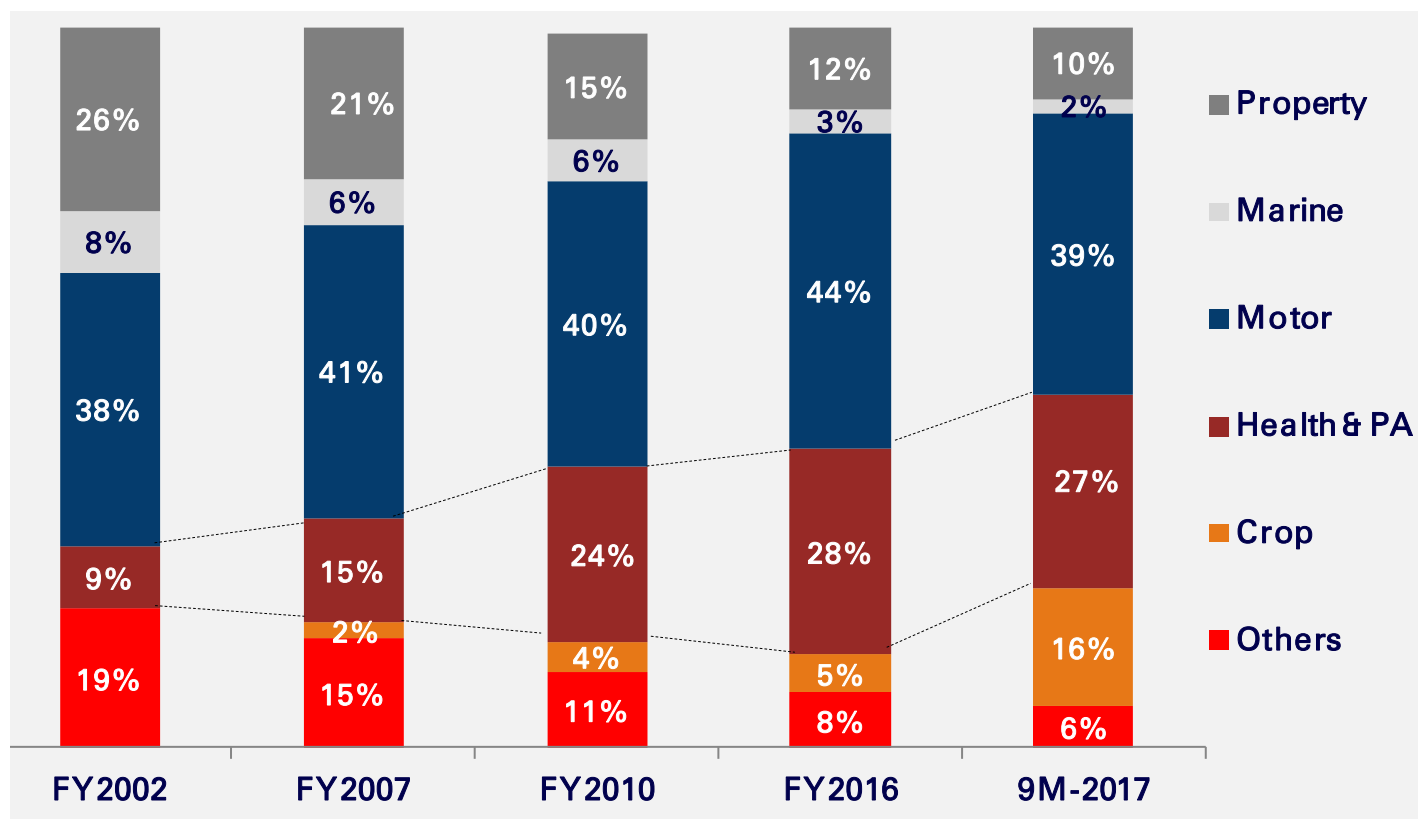
262

384

964

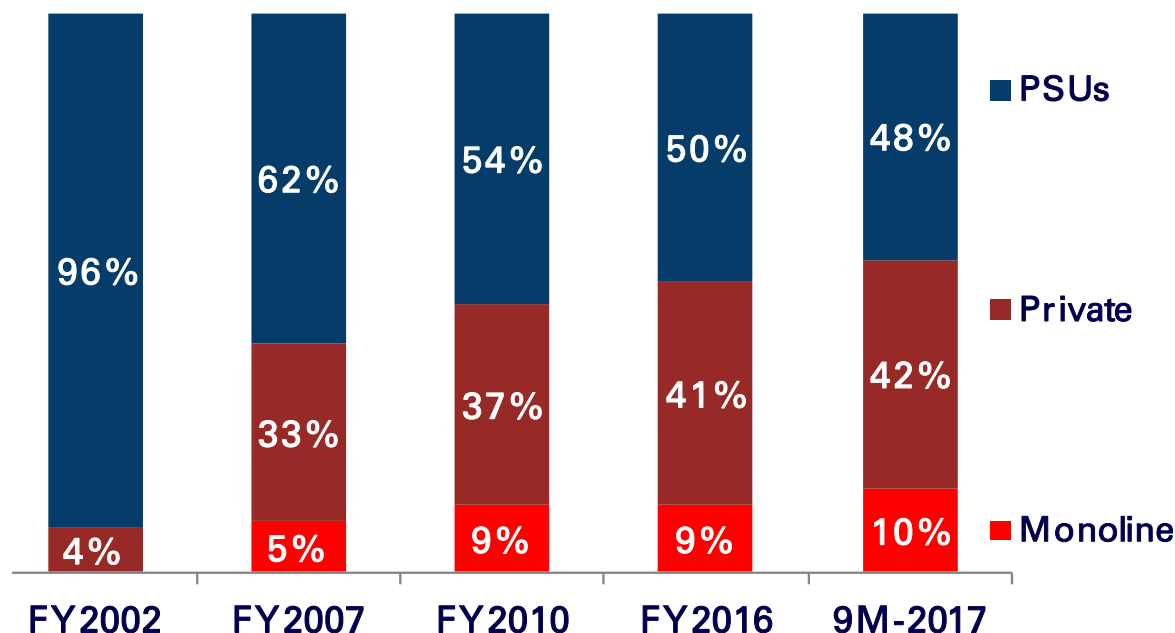
915

₹ billion



- Motor and Health contributing to growth in the industry

Industry - public & private insurers



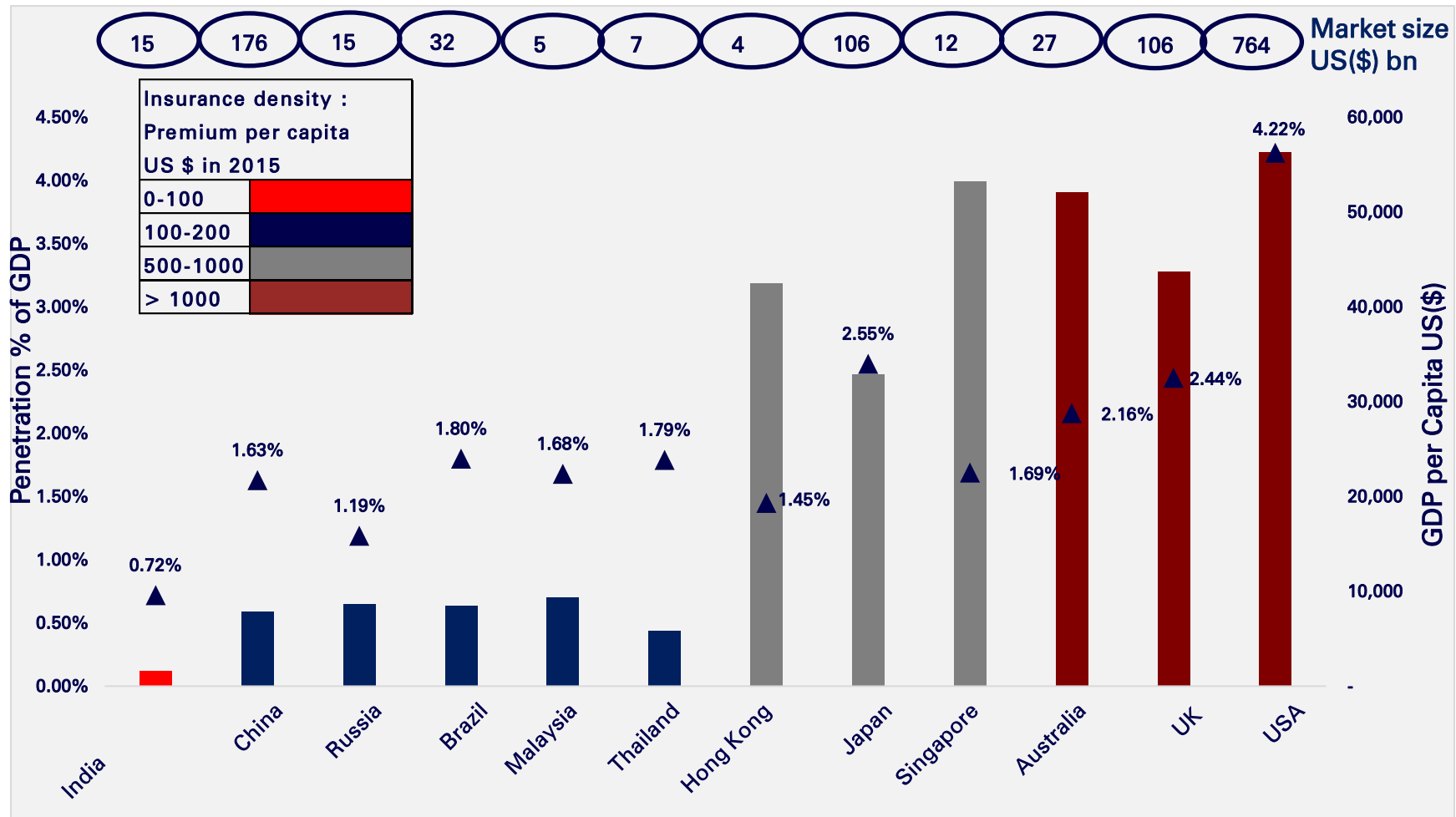
Market size ₹ billion	FY2002	FY2007	FY2010	FY2016	9M-2017
Insurers	10	15	21	29	30
PSUs	4	4	4	4	4
Private	6	8	13	18	18
Monoline	-	3	4	7	8

Industry snapshot

Particulars (₹ billion)	FY2002	FY2007	FY2010	FY2016	H1-2017
Gross Domestic Premium Income(GDPI)	114.00	262.04	383.74	964.02	607.73
Profit/(Loss) after tax	(0.92)	35.53	12.07	32.48	12.99
Return on Equity	-	24%	5%	7%	5%*
Networth	67.22	163.73	236.84	459.23	492.55
Combined ratio	185.0%	110.7%	119.7%	117.4%	116.0%
Expense ratio	91.7%	30.6%	32.4%	32.3%	28.8%
Investment book	237.62	595.22	849.65	1,862.83	2,055.92

⁷* Annualized Return on Equity

Strong fundamentals for India non-life insurance sector



Low penetration in India offers opportunity for growth

⁸ Source: Sigma 2015 Swiss Re

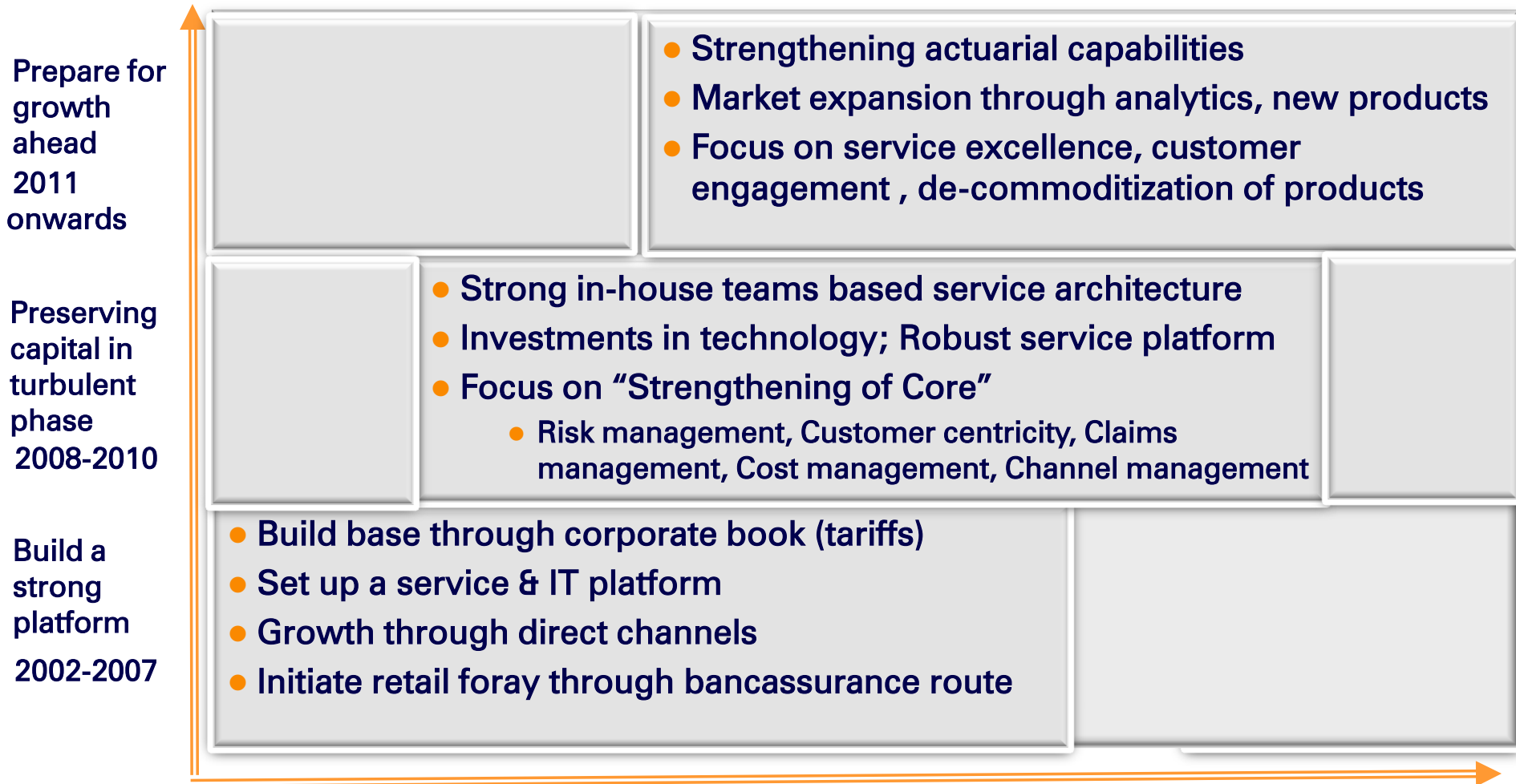
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Industry overview

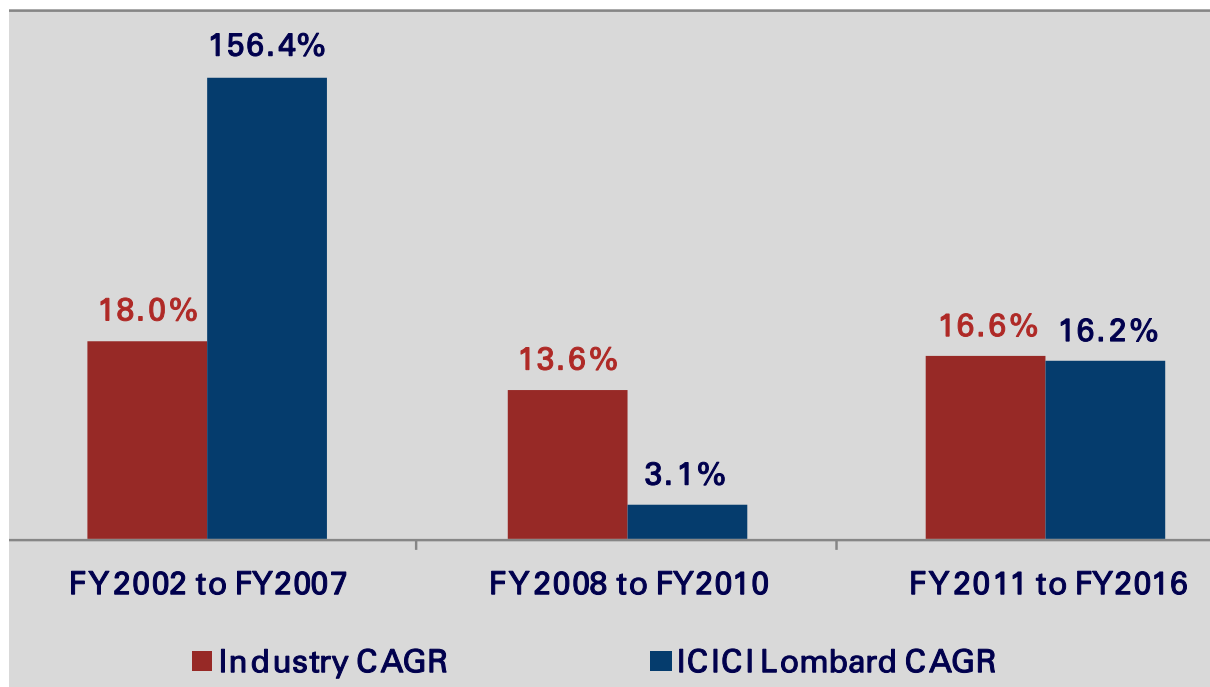
Company overview and strategy

ICICI Lombard performance

ICICI Lombard building blocks



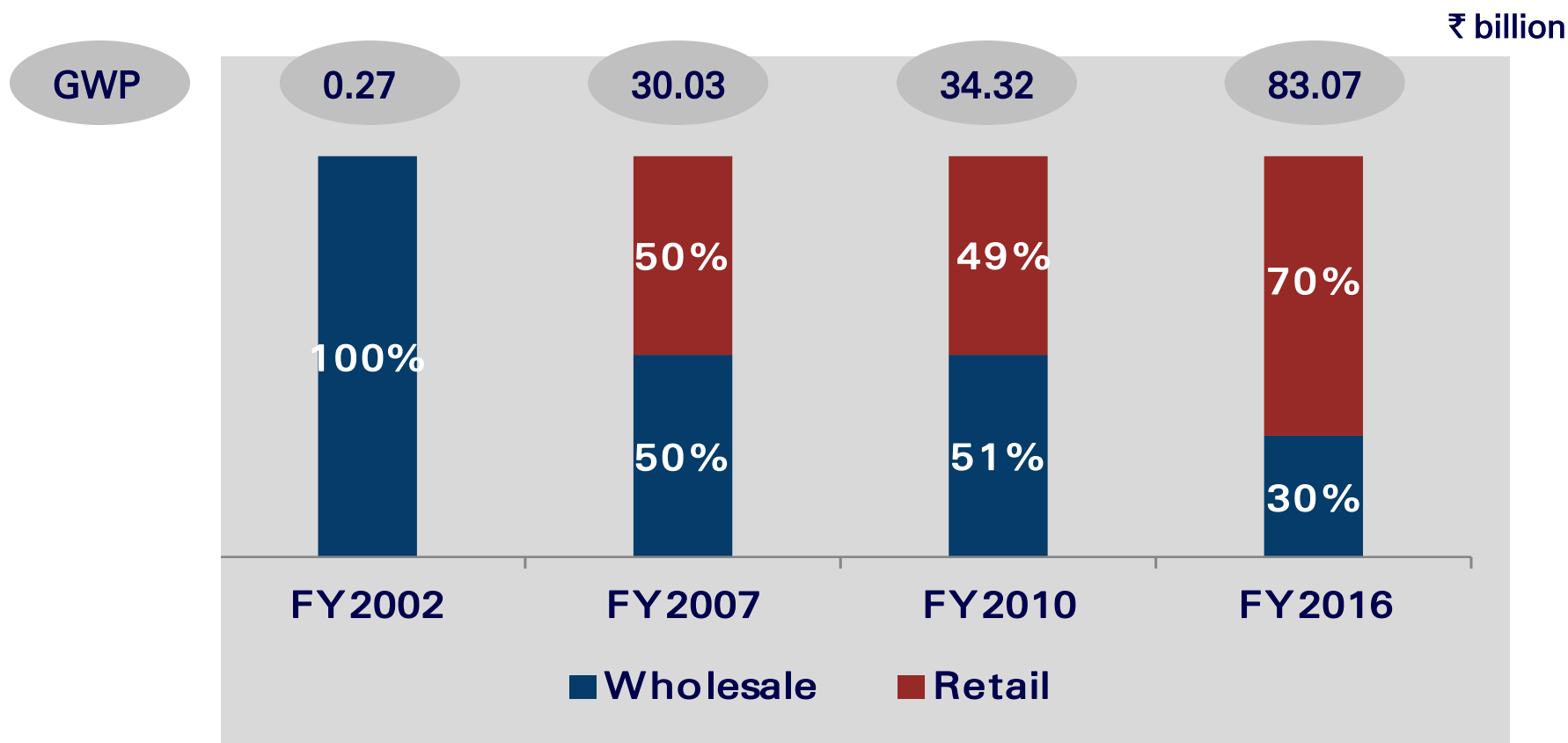
Business performance



● No. 1 Private sector insurer since FY2004

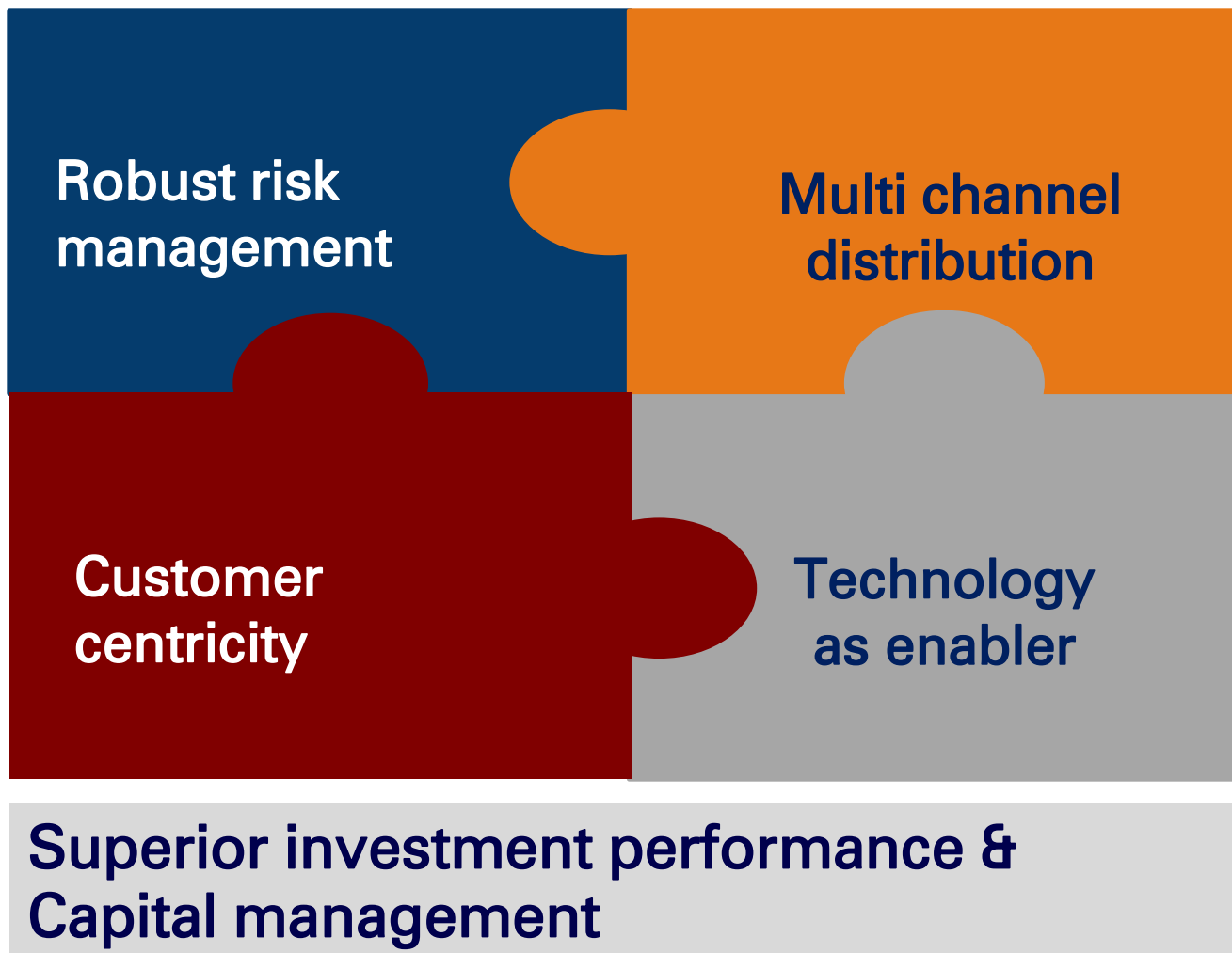
- Upto FY2007 – High growth during tariff phase
- FY2008 to FY2010 – Consolidation phase post de-tariffing
- FY2011 onwards – Growth in line with the industry through focus on risk selection and customer service

Business mix



- Policy issuance grown from 3.14 million in FY2007 to 15.80 million in FY2016

ICICI Lombard – Focus & Objectives



Robust risk management

Pricing

- Use of analytics aiding in risk selection & segmentation
 - Property- Preferred & Non preferred portfolio
 - Motor – Model, Location, Agent, Manufacturer
 - NOVA-Innovation & Accelerator Program

Reserving

- Robust reserving through actuarial methods
- IBNR reserves assessment undertaken quarterly
 - Assessment of significant major lines and sub-lines
- Headed by an Appointed Actuary
- First insurer in India to disclose reserving triangles in Annual report

Quality Reinsurer

- Spread of risk across panel of quality re-insurers
- Conservative level of catastrophe (CAT) protection

Fraud Control

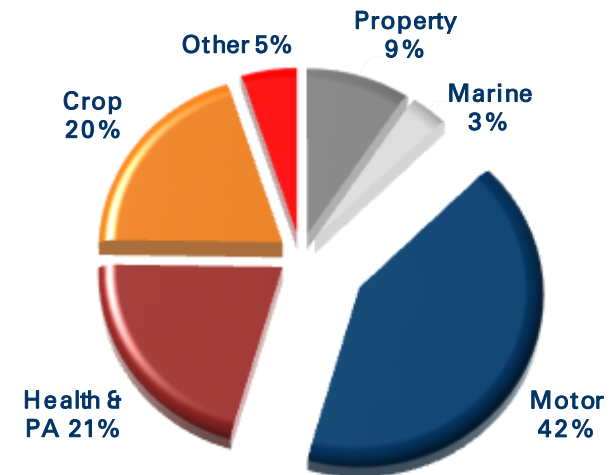
- Dedicated fraud control unit
- Use of claims triaging & fraud analytics

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Multi-channel distribution

Agents Brokers	19,800 + agents/brokers
Direct sales force	Corporate : 1,000+ active customers Government : Health, PA, Crop
Banks/FIs	30+ banks/FIs 2100+ active touch points
Website Call centre Branches	8,00,000+ unique visitors/month 2,00,000 calls/month 249 branches pan India 140+ virtual offices

Product contribution 9M-2017



Customer centricity

Claims management

- Philosophy: Gain customer trust through speed and quality of service delivery
 - Mix of in-house claims management team and renowned claims practitioners
 - 100+ doctors, 4200+ hospitals, 500+ surveyors
 - In-house service call centre
 - Increased focus on risk mitigation for clients

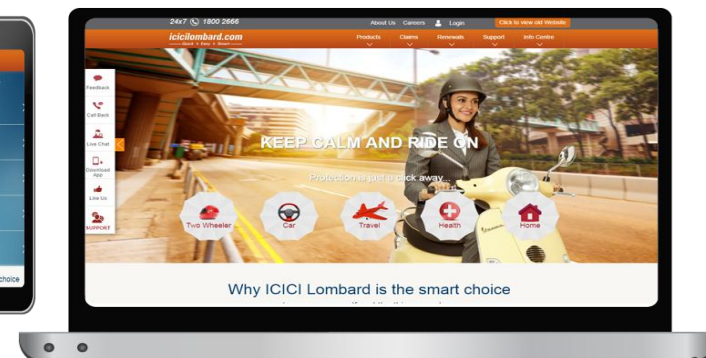
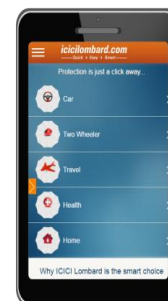
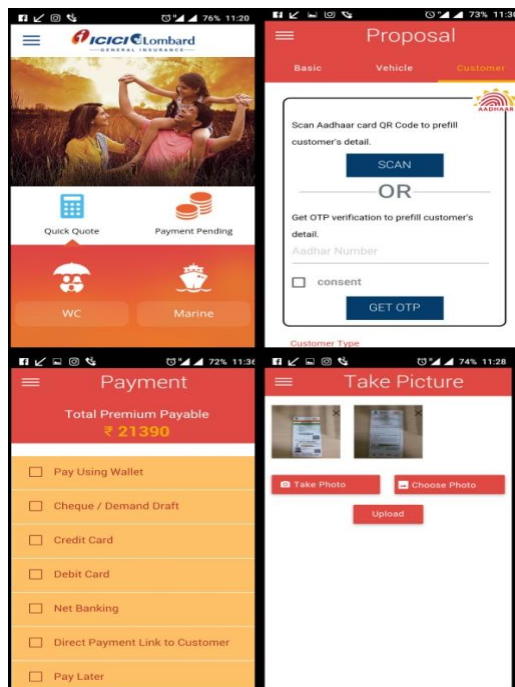
Customer engagement

- Initiatives to connect with customers and obtain insights on product and service ideas
 - #DoTheDifficult; Measure wellness & health through wellness points with community building through social media
 - Welcome call – Home, Health & sampled motor customers
 - Net promoter score NPS ~ 9000 customers contacted per month to measure advocacy

Technology as enabler

Customer Service & Access

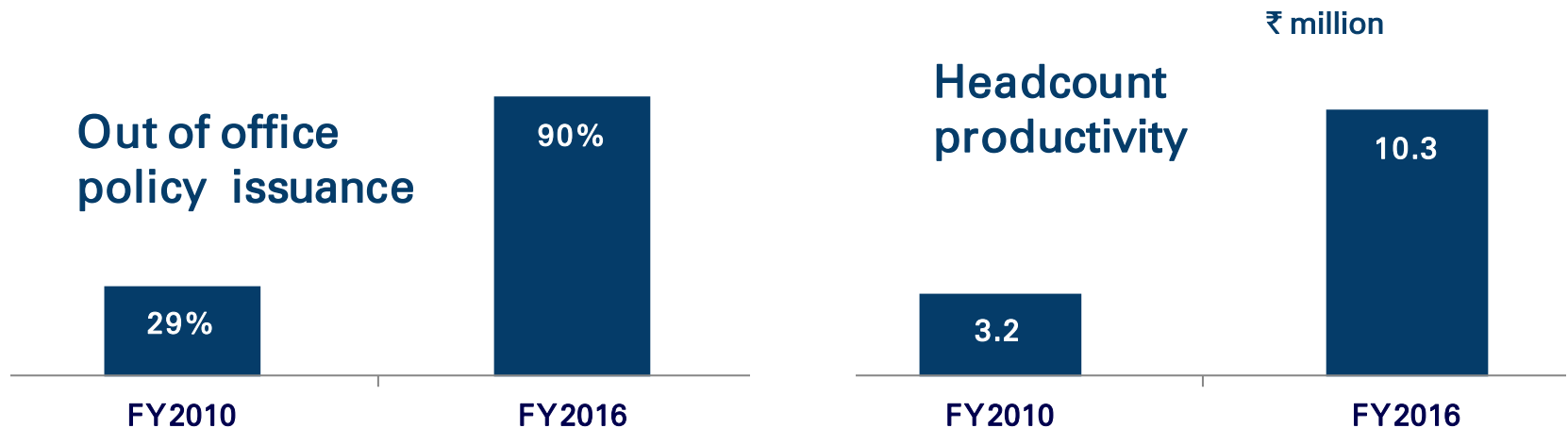
- Self sufficient and easy to access solution
 - Policy purchase and servicing
 - Self inspection, mobile wallet payment
 - Value added services like emergency assistance, garage locator, Fuel shop
- iPartner, mobile Intermediary app, revamped website, mobile app, tablet based claim survey etc



Technology as enabler

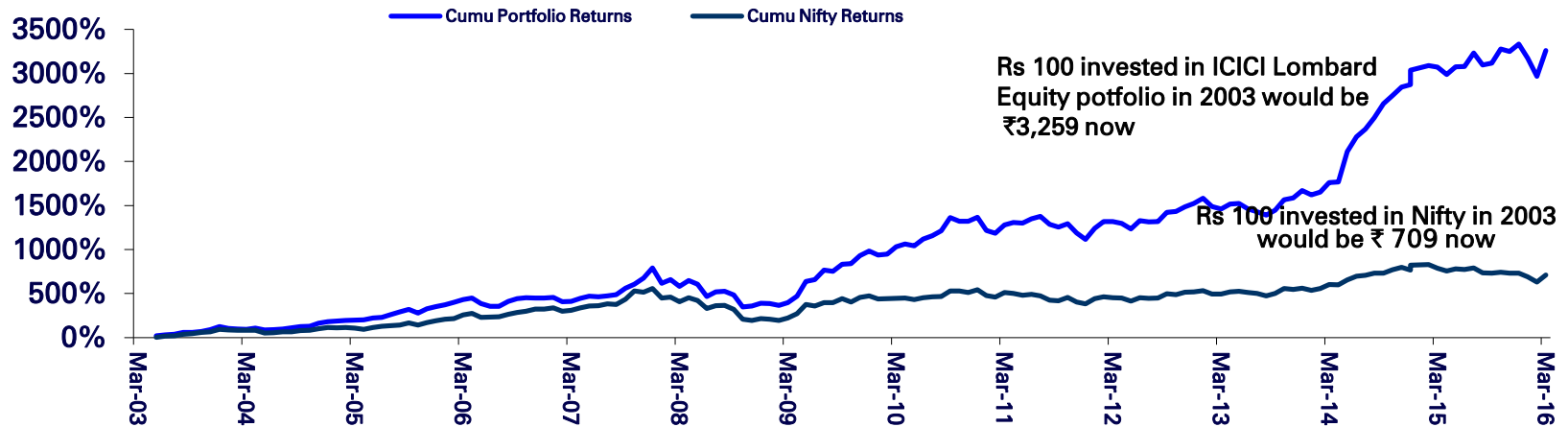
Lean Operations

- Adopting technology tools to drive operational efficiency and cost leadership
 - Out of office policy issuance @ 90%
 - Automated payments @ 97%
 - Headcount productivity improvement at a 6 year CAGR of 21 % to ₹ 10.3 million



Investment performance & capital management

- Long track record of outperforming benchmark composite
 - Annualized total return over the last 14 years: 11.57% compared to 9.75% generated by benchmark



Capital management

- Issued subordinated debt of ₹ 4.85 billion @8.25%
 - Instrument rated highest rating of 'AAA' by CRISIL & ICRA

ICICI Lombard strength

Innovation

- One of the two general insurers to launch long term comprehensive two wheeler insurance in Q1-2016
 - FY 2016 : ₹1.33 billion, No of policies :5,15,353
- Faster claim processing through 'Virtual Survey' network

Technology

- 1st company to introduce Motor claim surveyor app & Fire risk inspection app

Speed

- Leading settler* of Motor OD, Health claims in the Industry
 - Motor OD : 92% of claims settled in 30 days
 - Health : 99% of claims settled in 30 days

Human capital

- 25% employees with 5+ years ICICI Lombard experience
- ATD Best award for 4 years (7th in 2016)

Awards & recognition

'Claim Service Leader' (General Insurance – Large category) - The Indian Insurance Awards, 2016



'Technology Innovation' Awards - The Indian Insurance Awards, 2016



"Process Excellence" Award at the World Quality Congress, Global Awards , 2016



"Most Innovative Health Insurance Company of the Year" - Frost & Sullivan India Best Practices Award, 2016



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ICICI Lombard performance

Financial highlights : FY2016

GWP growth of 20.2%; FY2016 : ₹ 83.07 billion

No. of policies issued increased by 14%;
FY2016: 15.8 million

Profit before tax : ₹ 7.08 billion

Return on equity : 17%

Investment book : ₹115.63 billion

Solvency ratio as at March 31, 2016: 1.82x (minimum requirement: 1.50x)

Benchmarking: FY 2016

	Particulars (₹ billion)	Industry	ICICI Lombard
Operating performance	Growth in GDPI	14%	21%
	Profit/(Loss) after tax	32.48	5.07
	Combined ratio	117.4%	106.2%
	Expense ratio	32.3%	24.7%
	Return on Equity	7%	17%
Financial strength	Networth	459.23	31.76
	Solvency ratio	1.99x	1.82x
	Investment book	1,862.83	115.63
Customer service	Claims paid < 30 days		
	Motor OD	63%	92%
	Health	63%	99%

Financial performance

Particulars (₹ billion)	FY2013	FY2014	FY2015	FY2016
Gross written premium	64.20	71.34	69.14	83.07
Profit/(Loss) before tax	2.82	5.20	6.91	7.08
Profit/(Loss) after tax	3.06	5.11	5.36	5.07
Combined ratio	106.5%	105.4%	104.5%	106.2%
Return on Equity	18%	24%	21%	17%
Networth	18.66	23.81	28.24	31.76
Solvency ratio	1.55x	1.72x	1.95x	1.82x
Solvency ratio regulatory requirement	1.40x	1.50x	1.50x	1.50x

- Combined ratio for FY2016 impacted on account of Chennai floods and Crop Insurance losses

Financial performance: 9M-2017

Particulars (₹ billion)	9M-2016	9M-2017
Gross written premium	61.92	82.47
Profit/(Loss) before tax	5.41	6.61
Profit/(Loss) after tax	3.88	5.22
Combined ratio	107.2%	105.8%
Return on Equity	17%	19%
Networth	30.96	35.71
Solvency ratio	1.93x	2.01x
Solvency ratio regulatory requirement	1.50x	1.50x

- ICICI Lombard GWP Growth for 9M-2017 :33%

Safe harbor

Except for the historical information contained herein, statements in this release 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; 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 ICICI Bank Limited, our holding company, with the United States Securities and Exchange Commission. ICICI Bank and we undertake no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

Thank you

Adequacy of Outstanding reserving

Accident year wise ultimate loss development

₹ million

As at March 31,2016	AY 08-09	AY 09-10	AY 10-11	AY 11-12	AY 12-13	AY 13-14	AY 14-15	AY 15-16
First	12,855	15,128	20,656	22,530	27,974	35,957	34,160	39,131
Second	13,240	15,232	20,435	21,967	27,021	34,628	33,949	-
Third	13,034	15,390	20,405	21,745	26,517	34,371	-	
Fourth	13,206	15,517	20,361	21,846	26,400	-		
Fifth	13,345	15,546	20,474	21,831	-			
Sixth	13,386	15,656	20,484	-				
Seventh	13,458	15,907	-					
Eighth	13,527	-						
Dev./Initial Incured	5.2%	5.2%	-0.8%	-3.1%	-5.6%	-4.4%	-0.6%	0.0%