

**PRESS RELEASE - PERFORMANCE FOR NINE MONTHS ENDED DECEMBER 31, 2023**

**BSE Code: 540777**

**NSE Code: HDFCLIFE**

**Broad-based growth led by deeper presence across geographies and customer segments; whilst delivering a robust PAT growth**

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- **Fast paced growth in Tier 2 and 3 markets: 2x of company growth**
  - **Retail protection APE up by 36% with a growth in sum assured of 38%**
  - **9% growth in number of policies, outpacing private industry growth**
  - **Close to 5 crore new lives covered in 9M FY24**
  - **Profit after Tax grew by 16%**
  - **VNB margins sustained at 26.5% for 9M FY24**
  - **Awarded Golden Peacock Award for excellence in corporate governance**
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**Mumbai, January 12, 2024: The Board of Directors of HDFC Life approved and adopted today the audited standalone and reviewed consolidated financial results for nine months ended December 31, 2023. Below is the summary of our standalone results:**

Commenting on results for nine months ended December 31, 2023, Ms. Vibha Padalkar, MD & CEO said

“We continued to be ranked amongst the top 3 life insurers across individual and group businesses. The number of policies clocked a healthy growth of 9%, outpacing private and overall industry. This aligns with our core objective of establishing a sustainable long-term business by broadening our customer reach. We have covered close to 5 crore lives across our individual and group businesses. Growth from Tier 2 and 3 markets remain strong, witnessing 14% growth year on year. Our retail protection grew by 36% based on individual APE and credit protect clocked 21% growth YoY.

Towards the latter part of Q3FY24, we introduced Click 2 Achieve, an industry first, do-it-yourself (DIY) non-par savings product. This innovative plan empowers customers to create unlimited combinations, tailor their cash flows to align with personal goals, with the cushion of a guaranteed return. The product has been received well across channels and garnered 100 crores within 4 weeks of its launch. This is our 2nd ‘100 crore in a month’ blockbuster product to be launched this year.

We are proud to announce our new bancassurance partnerships with Karnataka Bank, Karur Vysya Bank and NKGSB Co-operative Bank and we are confident of growing with them over the next few years whilst offering their customers a range of innovative and customer-centric financial solutions.

As the protection gap in our country continues to widen, we remain focused on offering solutions to tap into this vast opportunity. We expect to grow by leveraging multiple drivers including strengthened market position at HDFC Bank, capitalising on ongoing investments such as branch expansion and new tie-ups, continuing to scale up a high quality proprietary business led by agency and favourable macro environment shifts.”

## Key Financial Summary

Rs Crore	9M FY24	9M FY23	YoY	FY23	FY22*
<b>Key Financial and Actuarial Metrics</b>					
Individual APE	7,271	6,874	6%	11,401	8,168
Total APE	8,564	8,174	5%	13,336	9,758
New Business Premium (Indl + Group)	20,100	18,713	7%	29,085	24,155
Renewal Premium (Indl + Group)	22,039	19,194	15%	28,448	21,808
Total Premium	42,139	37,907	11%	57,533	45,963
Assets Under Management	2,79,707	2,33,839	20%	2,38,782	2,04,170
Profit After Tax	1,157	1,001	16%	1,360	1,208
Indian Embedded Value	45,173	37,702	20%	39,527	30,048
Value of new business	2,267	2,163	5%	3,674	2,675
Total Protection based on Total APE	1,288	1,207	7%	1,776	1,325

	9M FY24	9M FY23	FY23	FY22*
<b>Key Financial Ratios</b>				
New Business Margins	26.5%	26.5%	27.6%	27.4%
Operating Return on EV	16.5%	17.5%	19.7%	16.6%
Total Expenses / Total Premium	19.6%	19.4%	14.8%	12.3%
Solvency Ratio	190%	209%	203%	176%
13M / 61M Persistency	86%/54%	87%/52%	87%/52%	87%/54%
<b>Market share</b>				
Individual WRP	15.0%	15.8%	16.5%	14.8%
Overall new business premium	19.8%	20.3%	21.1%	21.0%
Product mix by Indl APE (UL / Non par savings / Annuity/ Protection / Par)	32/28/7/6/28	21/39/6/4/29	19/45/5/4/27	26/33/5/6/30
Distribution mix by Indl APE (Corp Agents/ Agency/ Broker/ Direct)	64/18/6/11	59/18/9/15	56/20/11/13	60/14/6/19

Notes: Percentages may not add up due to rounding off effect

\*Numbers do not include Exide Life business for FY22

## Definitions and abbreviations

- Annualized Premium Equivalent (APE)** - The sum of annualized first year regular premiums and 10% weighted single premiums and single premium top-ups

- **Assets under Management (AUM)** - The total value of Shareholders' & Policyholders' investments managed by the insurance company
- **Embedded Value Operating Profit (EVOP)** - Embedded Value Operating Profit ("EVOP") is a measure of the increase in the EV during any given period, excluding the impact on EV due to external factors like changes in economic variables and shareholder-related actions like capital injection or dividend pay-outs
- **First year premium** - Premiums due in the first policy year of regular premiums received during the financial year. For example, for a monthly mode policy sold in March 2023, the first monthly instalment received would be reflected as First year premiums for 2022-23 and the remaining 11 instalments due in the first policy year would be reflected as first year premiums in 2023-24, when received
- **New business received premium** - The sum of first year premium and single premium, reflecting the total premiums received from the new business written
- **Operating expense** - It includes all expenses that are incurred for the purposes of sourcing new business and expenses incurred for policy servicing (which are known as maintenance costs) including shareholders' expenses. It does not include commission
- **Operating expense ratio** - Ratio of operating expense (including shareholders' expenses) to total premium
- **Operating return on EV** - Operating Return on EV is the ratio of EVOP (Embedded Value Operating Profit) for any given period to the EV at the beginning of that period
- **Persistency** - The proportion of business renewed from the business underwritten. The ratio is measured in terms of number of policies and premiums underwritten
- **Premium less benefits payouts** - The difference between total premium received and benefits paid (gross of reinsurance)
- **Renewal premium** - Regular recurring premiums received after the first policy year
- **Solvency ratio** - Ratio of available solvency margin to required solvency margin
- **Total premium** - Total received premiums during the year including first year, single and renewal premiums for individual and group business
- **Weighted received premium (WRP)** - The sum of first year premium received during the year and 10% of single premiums including top-up premiums

## **About HDFC Life**

Established in 2000, HDFC Life is a leading, listed, long-term life insurance solutions provider in India, offering a range of individual and group insurance solutions that meet various customer needs such as Protection, Pension, Savings, Investment, Annuity and Health. The Company has more than 80 products (including individual and group products) and optional riders in its portfolio, catering to a diverse range of customer needs.

HDFC Life continues to benefit from its increased presence across the country, having a wide reach with branches and additional distribution touch-points through several new tie-ups and partnerships. The count of distribution partnerships is over 300, comprising banks, NBFCs, MFIs, SFBs, brokers, new ecosystem partners amongst others. The Company has a strong base of financial consultants.

For more information, please visit [www.hdfclife.com](http://www.hdfclife.com). You may also connect with us on Facebook, Twitter, YouTube and LinkedIn.

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