

**PRESS RELEASE - PERFORMANCE FOR FULL YEAR ENDED MARCH 31, 2024**

**BSE Code: 540777**

**NSE Code: HDFCLIFE**

**Navigating well through sectoral changes with focus on increasing volumes, retail protection and making meaningful in roads into Bharat**

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- **Double-digit APE growth<sup>1</sup> of 11% for full year and 20% growth for Q4**
- **Growth of 13% in Tier 2/3 markets, faster than industry level growth<sup>2</sup>**
- **Profit after Tax grew by 15%**
- **47% growth in sum assured, aided by 27% growth in retail protection**
- **Annuity and protection comprises nearly half of new business premium**
- **Operating ROEV at 17.5%; Indian Embedded value at Rs 47,468 crore**
- **Proposed final dividend of Rs 2 per share**

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1. *Normalized Individual APE growth (excluding Rs 1,000 cr of FY23 business which was one-off due to Union Budget changes)*  
2. *Individual WRP growth for 11M FY24*

**Mumbai, April 18, 2024:** The Board of Directors of HDFC Life approved and adopted today the audited standalone and reviewed consolidated financial results for full year ended March 31, 2024. Below is the summary of our standalone results:

Commenting on results for full year ended March 31, 2024, Ms. Vibha Padalkar, MD & CEO said

“Despite the budget changes impacting high ticket sized business this year, we delivered a healthy growth of 20% for Q4 after adjusting for the one-off business of Rs. 1,000 crore in March 2023. Our stated aspiration of a double-digit growth for the full year was achieved with us clocking an 11% growth for FY24, on a normalised basis. We achieved individual APE growth of 1% on an unadjusted basis.

Renewal collections grew by 18% YoY, demonstrating our customers' continued trust in us. Persistency for the 13th month and 61st month was 87% and 53% respectively.

FY24 has been another landmark year for product launches, fuelled by relentless innovation and a desire to help meet our customers' evolving requirements. Click2Achieve, our first DIY non-par savings solution has been received well across channels, leading to a healthy increase in the non-par savings proportion in the last quarter.

Our new business margins are 26.3%. Value of new business is Rs. 3,501 crore, implying a 2 year CAGR of 14%. Embedded value stands at Rs 47,468 crore, with an operating return on embedded value of 17.5%. We have delivered a strong profit after tax of Rs. 1,569 crore, implying a YoY increase of 15%, fuelled by 18% increase in profit emergence from back book. Solvency continues to be healthy at 187%.

In addition to business developments, we would like to inform that Mr Deepak Parekh has decided to step down as the Chairman and Non-Executive Director of the Company with effect from close of business hours on April 18, 2024. Being the founder Chairman of our Company, Mr Parekh has been instrumental in guiding and nurturing the Company over the past 24 years. We thank Mr Parekh for the immense contributions made by him and wish him the very best for the future.

We are also pleased to inform that the Board has unanimously approved the appointment of Mr Keki M Mistry as the Chairman of the Board. Mr Keki M Mistry has been associated with the Company since December 2000 and is currently a Non-Executive Director on our Board. Under his stewardship, we aim to achieve many more remarkable milestones and emerge stronger and more resilient than ever before.

Lastly, we are proud to share that we have been recognized as the Best Organization for Women in 2024 by The Economic Times. This is a testament of the progress we have made in creating a supportive work environment for women and our unwavering belief in the power of diversity, equity and inclusion.”

### Key Financial Summary

Rs Crore	FY24	FY23	YoY
<b>Key Financial and Actuarial Metrics</b>			
Individual APE <sup>(1)</sup>	11,509	11,401	1%
Total APE	13,291	13,336	0%
New Business Premium (Indl + Group)	29,631	29,085	2%
Renewal Premium (Indl + Group)	33,445	28,448	18%
Total Premium	63,076	57,533	10%
Assets Under Management	2,92,220	2,38,782	22%
Profit After Tax	1,569	1,360	15%
Indian Embedded Value	47,468	39,527	20%
Value of new business	3,501	3,674	-5%

	FY24	FY23
<b>Key Financial Ratios</b>		
New Business Margins	26.3%	27.6%
Operating Return on EV	17.5%	19.7%
Total Expenses / Total Premium	19.4%	19.8%
Solvency Ratio	187%	203%
13M / 61M Persistency	87%/53%	87%/52%

Market share			
Individual WRP (Overall industry)	(2)	10.4%	10.8%
Overall new business premium (Overall industry)	(2)	8.0%	7.9%
Product mix by Indl APE (UL / Non par savings / Annuity/ Protection / Par)		35/30/6/5/23	19/45/5/4/27
Distribution mix by Indl APE (Corp Agents/ Agency/ Broker/ Direct)		65/18/6/11	56/20/11/13

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

1. Normalized Individual APE growth is 11% (excluding Rs 1,000 cr of FY23 business which was one-off due to Union Budget changes)
2. Data for FY24 pertains to 11M period

### 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 2024, the first monthly instalment received would be reflected as First year premiums for 2023-24 and the remaining 11 instalments due in the first policy year would be reflected as first year premiums in 2024-25, 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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