

PRESS RELEASE - PERFORMANCE FOR TWELVE MONTHS ENDED MARCH 31, 2025

BSE Code: 540777

NSE Code: HDFCLIFE

HDFC Life: Another year of sustained performance and consistent delivery: 18% individual APE growth, 13% Value of new business growth and 70 bps increase in overall market share

Mumbai, 17th Apr, 2025: The Board of Directors of HDFC Life approved and adopted the audited standalone and consolidated financial results for the year ended March 31, 2025. The Company grew faster than the sector, whilst delivering healthy performance across all key metrics.

Performance Highlights:

- **Topline Growth:** Delivered strong individual APE growth of 18%, supported by increase in both number of policies sold and ticket size and a balanced product mix
- **Market Share:** Overall market share (individual WRP) increased by 70 bps to 11.1% for the period 11MFY25. Private sector market share stood at 15.7%, an increase of 30 bps
- **Value of New Business (VNB)** grew by 13% to ₹ 3,962 crore, reflecting robust growth in profitable business
- **Assets under Management (AUM):** AUM stood at ₹ 3,36,282 lakh crore as on 31st March 2025, an increase of 15% YoY
- **Persistency:** Our persistency for the 13th and 61st months stood at a strong 87% and 63%, respectively. Notably, our 61st-month persistency saw a significant improvement of 1000 basis points, demonstrating the company's deep customer engagement and effective retention initiatives
- **Embedded Value (EV)** grew by 17% and stood at ₹ 55,423 crore, with 16.7% operating return on EV, showcasing sustained long-term value creation for shareholders
- **Profit After Tax (PAT)** of ₹ 1,802 crore was achieved in 12M FY25, clocking a steady growth of 15% year-on-year, helped by an 18% increase in profit emergence from our back book. The Board has recommended a final dividend of ₹ 2.1 per share, in line with our dividend payout policy, aggregating to a payout of about ₹ 452 crore.
- **Solvency Ratio** stood at 194%, comfortably above the regulatory threshold of 150%
- **Employee Focus:** certified as Great Place to Work in 2025, highlighting commitment to employee well-being. Also recognized amongst the top 50 organisations for building a culture of innovation by Great Place to Work. HDFC Life was recognised for its inclusivity and employee-friendly policies, being awarded the Best Companies for Women in India 2024 in the BFSI sector and Exemplar of Inclusion (Most Inclusive Companies India 2024) by Avtar & Seramount

CEO's Statement:

Vibha Padalkar, Managing Director and CEO of HDFC Life, commented: "FY25 was a year where we deepened our reach, continued sharpening our value propositions and demonstrated the resilience of our business model. We are happy to report an 18% growth in Individual APE for FY25, in line with our stated growth aspirations for the year. Our overall industry market share expanded by 70 bps to 11.1% and by 30 bps to 15.7% within the private sector.

Retail protection continued to show strong momentum with APE growth of 25%. All channels registered double-digit growth. We continue to enhance customer experience through intuitive digital platforms, with over 90% of service requests now handled via self-service.

As we enter our 25th year of existence, our aspiration remains, against a backdrop of a stable regulatory regime, to consistently outpace sector topline growth, deliver VNB growth in line with APE growth and double key metrics every 4 to 4.5 years."

Key Financial Summary

₹ Crore	12M FY25	12M FY24	YoY
Key Financial and Actuarial Metrics			
Individual APE	13,619	11,509	18%
Total APE	15,479	13,291	16%
New Business Premium (Indl + Group)	33,365	29,631	13%
Renewal Premium (Indl + Group)	37,680	33,445	13%
Total Premium	71,045	63,076	13%
Assets Under Management	3,36,282	2,92,220	15%
Profit After Tax	1,802	1,569	15%
Indian Embedded Value	55,423	47,468	17%
Value of new business	3,962	3,501	13%

	12M FY25	12M FY24
Key Financial Ratios		
New Business Margins	25.6%	26.3%
Operating Return on EV	16.7%	17.5%
Total Expenses / Total Premium	19.8%	19.4%
Solvency Ratio	194%	187%
13M / 61M Persistency	87%/63%	87%/53%
Individual WRP market share (Overall) ¹	11.1%	10.4%
Product mix by Indl APE (UL / Non par savings / Annuity/ Protection / Par)	39/32/5/5/19	35/30/6/5/23

Distribution mix by Indl APE (Corp Agents/ Agency/ Broker/ Direct)	65/18/7/10	65/18/6/11
---	------------	------------

Note: 1. For the period ending 11M

Percentages may not add up due to rounding off effect

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 2025, the first monthly instalment received would be reflected as First year premiums for 2024-25 and the remaining 11 instalments due in the first policy year would be reflected as first year premiums in 2025-26, 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 over 70 products (individual and group products) including 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. You may also connect with us on Facebook, Twitter, YouTube and LinkedIn.

Disclaimer

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, cashflow projections, our exposure to market risks, policies and actions of regulatory authorities; impact of competition; experience with regard to mortality and morbidity trends, lapse rates and policy renewal rates; the impact of changes in capital, solvency or accounting standards, tax and other legislations and regulations in the jurisdictions. HDFC Life undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

None of Company or any of its directors, officers, employees, agents or advisers, or any of their respective affiliates, advisers or representatives, undertake to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise and none of them shall have any liability (in negligence or otherwise) for any loss howsoever arising from any use of this press release or its contents or otherwise arising in connection. Further, nothing in this press release should be construed as constituting legal, business, tax or financial advice or a recommendation regarding the securities. Although Company believes that such forward-looking statements are based on reasonable assumptions, it can give no assurance that such expectations will be met. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of Company's management on future events. Forecasts and hypothetical examples are subject to uncertainty and contingencies outside Company's control. Past performance is not a reliable indication of future performance.

Before acting on any information you should consider the appropriateness of the information having regard to these matters, and in particular, you should seek independent financial advice.