

PRESS RELEASE - PERFORMANCE FOR THE HALF YEAR ENDED SEPTEMBER 30, 2025

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HDFC Life sustains growth trajectory in H1 FY26; Consolidated AUM crosses ₹5 trillion milestone

Mumbai, 15th October, 2025: The Board of Directors of HDFC Life approved and adopted the reviewed standalone and consolidated financial results for the half year ended September 30, 2025. The Company outpaced sector growth while maintaining strong performance across all key metrics.

Performance Highlights:

- **Individual New Business** in terms of Annualized Premium Equivalent (APE) recorded growth of 10% year-on-year, translating into 2-year CAGR of 20%.
- **Market Share gain** of 90 basis points at the overall level to 11.9% and 30 basis points within the private sector, taking our share to 16.6%.
- **Value of New Business (VNB)** for H1 FY26 stood at ₹ 1,818 crore, a growth of 10% YoY and a 2-year CAGR of 14% while broadly maintaining new business margins similar to last year, at 24.5%.
- **Assets under Management (AUM)** including that of our wholly owned subsidiary HDFC Pension Fund Management, has crossed the ₹5 trillion milestone; a significant landmark in our 25-year journey.
- **Persistency** ratios were stable, with 13-month and 61-month persistency at 86% and 62% respectively. These trends reflect the underlying product and tier mix.
- **Embedded Value (EV)** stood at ₹59,540 crore, with an operating RoEV of 15.8% on a rolling 12-month basis.
- **Profit After Tax (PAT)** in H1 rose 9% YoY to ₹994 crore.
- **Solvency Ratio** was at 175%, reflecting a combination of dividend payout, repayment of ₹600 crore subordinated debt, writing more protection business and the GST impact. We plan to raise up to ₹750 crore in subordinated debt in one or more tranches in H2.
- **Employee Focus:** certified as India's Best Companies to Work For 2025 by Great Place to Work and India's Most Inclusive Companies 2025 by Avtar and Seramount

CEO's Statement:

Vibha Padalkar, Managing Director and CEO of HDFC Life, commented: "The recent GST revisions are a constructive structural shift aimed at simplifying compliance and improving affordability. We have ensured that the full benefits of the GST exemption are passed on to our customers. With product

pricing now more attractive to customers across segments, we expect to see stronger demand over the medium to long term.

H1FY26 concluded with topline performance broadly in line with expectations, with us outperforming both the overall industry and the private sector.

As the external environment evolves, we remain confident of the long-term growth potential of life insurance in India. The recent GST reform, while necessitating some recalibration for industry stakeholders, is a structurally positive step - it makes life insurance products more affordable for customers. We remain optimistic about our growth trajectory for H2, with sustained demand across segments and improving consumer sentiment. With a resilient business model, a trusted brand, and a history of disciplined growth through cycles, we believe HDFC Life is well-positioned to grow faster than the industry."

Key Financial Summary

₹ Crore	H1 FY26	H1 FY25	YoY
Key Financial and Actuarial Metrics			
Individual APE	6,471	5,864	10%
Total APE	7,413	6,724	10%
New Business Premium (Indl + Group)	16,222	14,497	12%
Renewal Premium (Indl + Group)	17,940	15,242	18%
Total Premium	34,162	29,738	15%
Assets Under Management	3,59,999	3,24,942	11%
Profit After Tax	994	911	9%
Indian Embedded Value	59,540	52,114	14%
Value of new business	1,818	1,656	10%

	H1 FY26	H1 FY25
Key Financial Ratios		
New Business Margins	24.5%	24.6%
Operating Return on EV ¹	15.8%	17.4%
Total Expenses / Total Premium	21.6%	21.1%
Solvency Ratio	175%	181%
13M / 61M Persistency	86%/62%	88%/60%
Individual WRP market share (Overall)	11.9%	11.0%
Product mix by Indl APE (UL / Non par savings / Annuity/ Protection / Par)	42/18/4/7/29	36/38/5/6/15
Distribution mix by Indl APE (Banca/ Agency/ Non-bank alliances/ Direct) ²	59/18/14/9	60/17/14/8

Percentages may not add up due to rounding off effect

1. *ROEV on a rolling 12-month basis*
2. *Non-bank Alliances include brokers and other non-bank corporate agents; Select Online/Direct business has been reclassified under Non-bank Alliances*

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 500, 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.

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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.

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