

Ref. No.: MUM/SEC/14-10/2017

October 17, 2017

To,
The Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Tower
Dalal Street
Mumbai - 400001

The Manager
Listing Department
The National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor, Plot C/1,
G Block, Bandra-Kurla Complex
Mumbai - 400051

Scrip Code: (BSE: 540716/ NSE: ICICIGI)

Dear Sir/Madam,

Subject: Earnings call for quarterly results

This is further to our letter dated October 16, 2017 on the captioned subject.

Please find enclosed, the investor presentation and opening remarks for the result call held on October 17, 2017 to discuss the financial results for the quarter ended September 30, 2017.


The same has also been uploaded on the website of the Company and can be accessed on the following links:

Investor Presentation – <https://www.icicilombard.com/docs/default-source/investor-relations/performance-review-h1fy2018.pdf?sfvrsn=0>

Opening Remarks – <https://www.icicilombard.com/investor-relations>

Yours Sincerely,

For ICICI Lombard General Insurance Company Limited


Gopal Balachandran
Chief Financial Officer

Encl: As above

ICICI Lombard General Insurance Company Limited AA 1143305 /17

IRDA Reg. No. 115

CIN: U67200MH2000PLC129408

Mailing Address:

Registered Office:

Toll free No. : 1800 2666

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New Linking Road, Malad (West), Mumbai - 400 064.

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Mumbai - 400 025.

Alternate No.: +919223622666 (chargeable)

Email: customersupport@icicilombard.com

Website: www.icicilombard.com

H12018 Performance Review

October 17, 2017

Agenda

Company Strategy

Financial Performance

Industry Overview

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Industry Overview

Strategy: Market leadership+ Profitable growth

Leverage and Enhance market leadership

- Leverage our strong brand, competitive advantage and broad network of distribution partners
- Expand customer base and offerings

Enhance product offerings and distribution channels

- Focus on agency channel, retail health segment and SME insurance market and cross sell opportunities
- Continuous innovation to introduce new products and value added services

Capturing new market opportunities

- Expand footprint in small towns, rural areas
- Increase penetration in the digital Eco system
- Monitor emerging risk segments

Improve operating and financial performance through investments in technology

- Reduce Combined ratio using risk selection and data analytics
- Maintain robust reserves
- Increasing distribution and servicing capabilities without human intervention
- Increase operational efficiency using artificial intelligence and machine learning techniques

Key Highlights

Particulars (₹ billion)	FY2016	FY2017	H1-2017	H1-2018
Gross Written Premium(GWP)	82.96	109.60	57.07	66.29
Gross Direct Premium Income (GDPI)	80.91	107.25	55.65	64.94
GDPI Growth	21.2%	32.6%	39.2%	16.7%
Combined ratio	106.9%	103.9%	106.0%	102.7%
Profit After Tax (PAT)	5.07	7.02	3.02	4.18
Return on average Equity	16.9%	20.3%	17.9%*	20.6%*
Investment leverage#	3.64x	3.88x	3.84x	3.93x
Solvency ratio	1.82x	2.10x	2.03x	2.18x

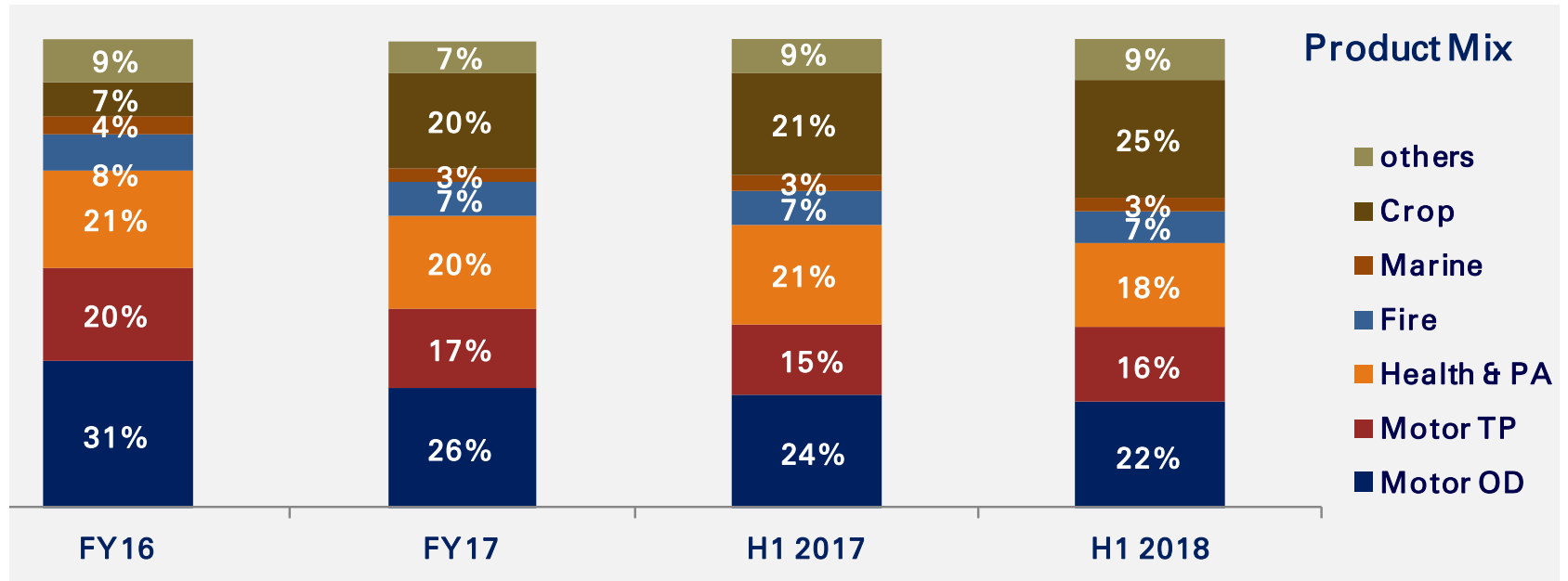
- Market leadership amongst private sector general insurance companies since FY2004

Investment leverage is net of borrowings

*Annualised

Source: IRDAI

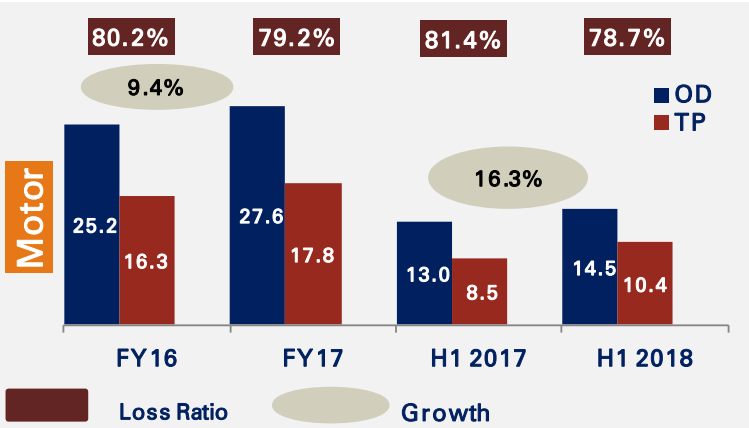
Comprehensive Product Portfolio



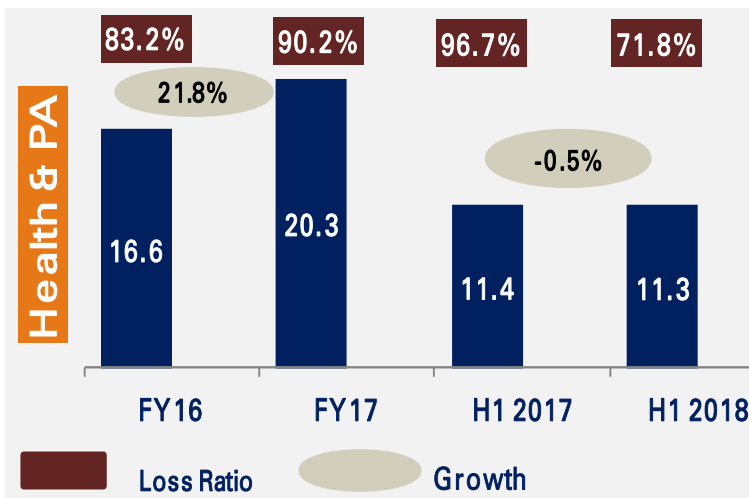
- Diversified product mix– motor, health & personal accident, crop, fire, marine, engineering insurance
- Policy count increased to 10.6 million in H1 2018 from 7.9 million in H1 2017
 - Catering to customers in 618 out of 716 districts across India in FY2017
- Growing the SME portfolio through digitization and focus on specialized products

Comprehensive Product Portfolio

₹ billion

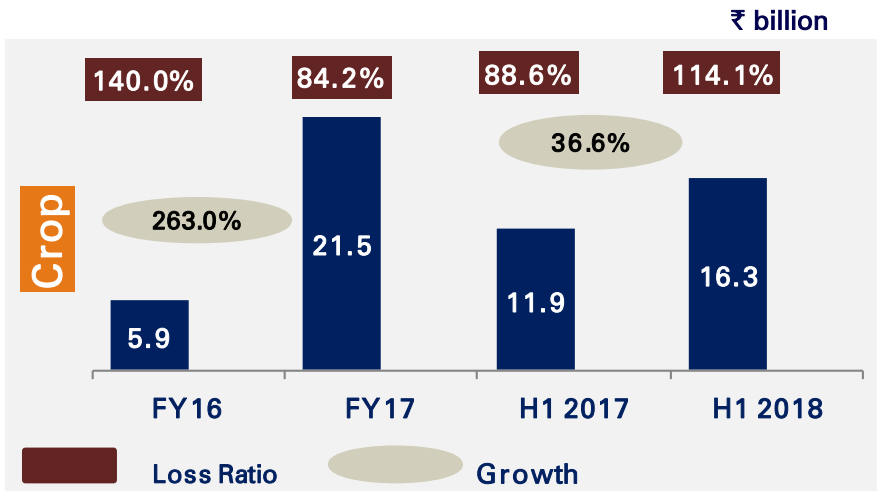


- Increasing focus on relatively profitable segments
- Continued growth from Long Term Two Wheeler (LTTW)

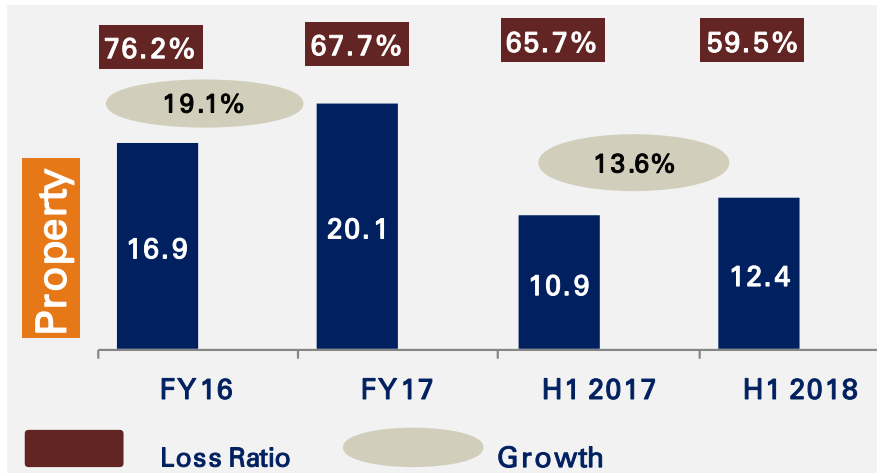


- Retail, corporate and mass health contributed 54.3%, 43.2% and 2.4% respectively of health GDPI in H12018 and 44.3%, 34.4% and 21.3% respectively of health GDPI in H12017
- Focus on retail health
 - Growth of 17.5% in H12018

Comprehensive Product Portfolio

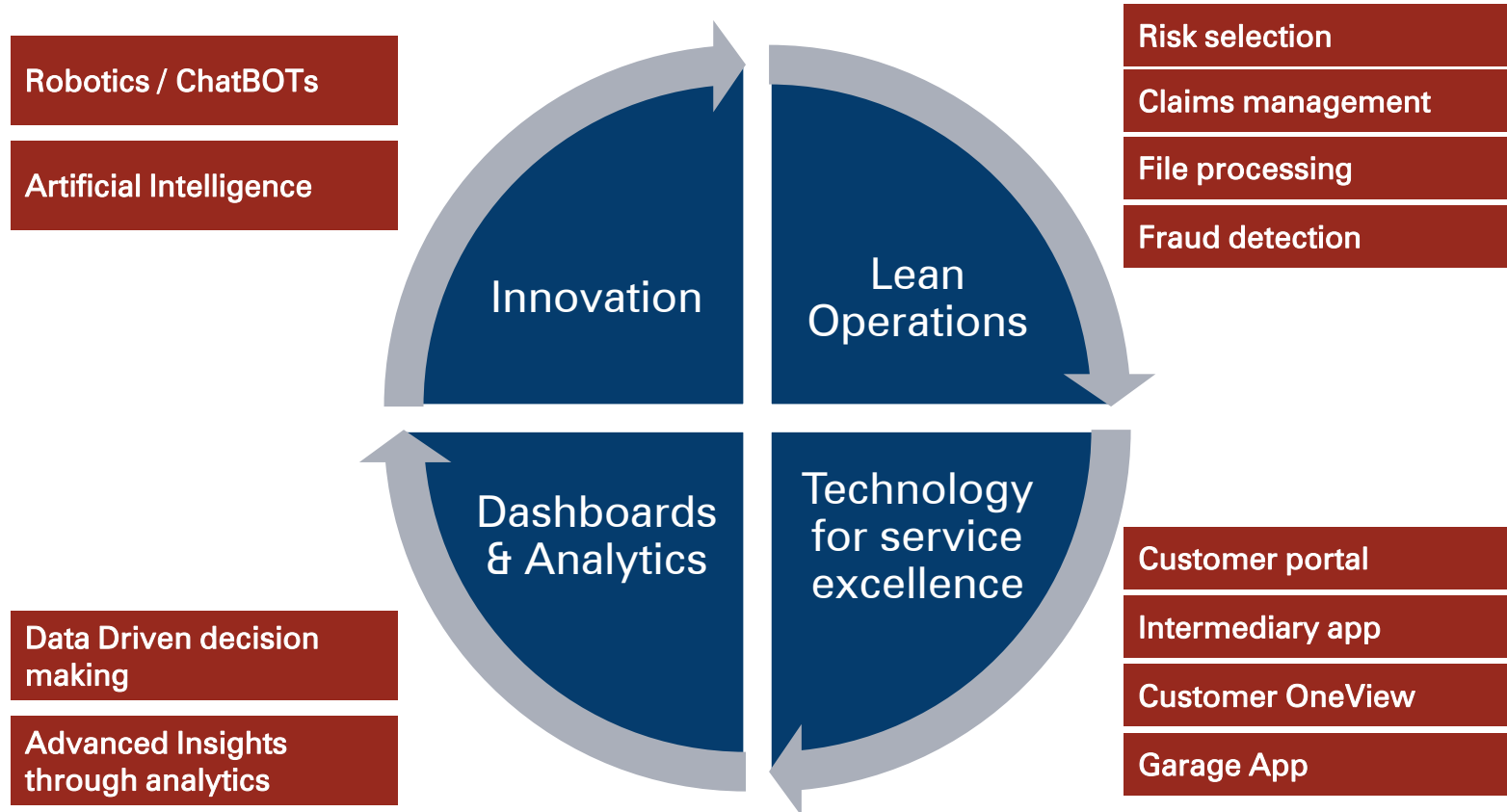


- Diversification through strategic risk selection to mitigate region specific concentration
- Covered farmers in 7 states and 56 districts in Kharif season under PMFBY in FY18.



- Underwriting of small risks for diversification of portfolio and for attractive pricing
- Focus on infrastructure projects as well as emerging sectors such as Solar to drive growth

Digital Drive :Enabling business transformation



Risk Framework

Underwriting

- Predictive ultimate loss model to improve risk selection
- Diversified exposure across geographies and products
- Historically lower proportion of losses from catastrophic events than overall market share
 - Recent flood claims (net) of ₹ 0.18 bn

Reinsurance

- Spread of risk across panel of quality re-insurers
 - Entire panel *of reinsurers rated 'A-' or above**
- Conservative level of catastrophe (CAT) protection

Investments

- Tighter internal exposure norms as against regulatory limits
- Invest high proportion of Debt portfolio (79.4%) in sovereign or AAA rated securities***

Reserving

- IBNR utilization improving trend indicates robustness of reserves
- Disclosing reserving triangles in Annual report since FY2016

*Except domestic reinsurance placement

**S&P or equivalent international rating

*** domestic credit rating

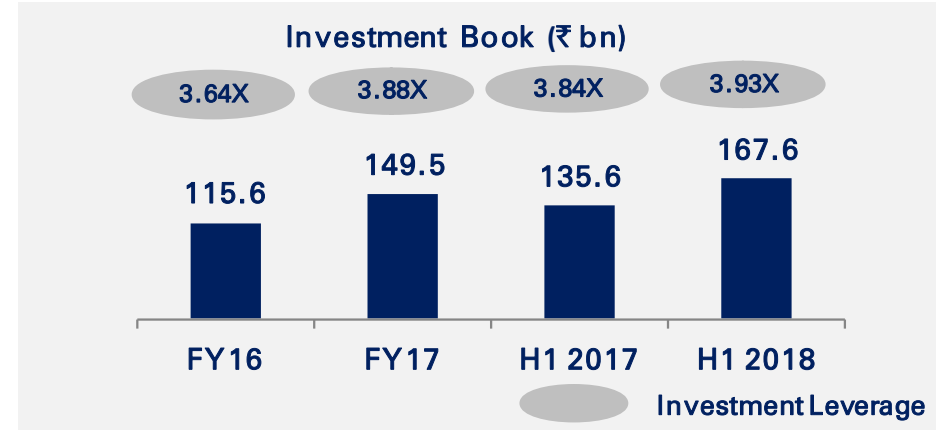
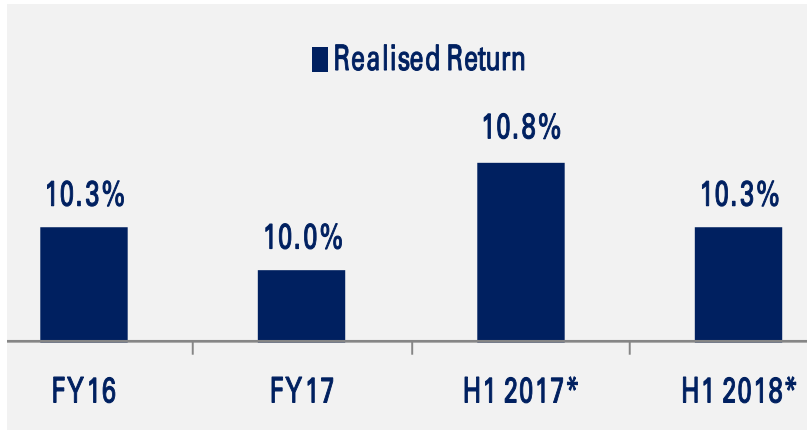
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Robust Investment Performance



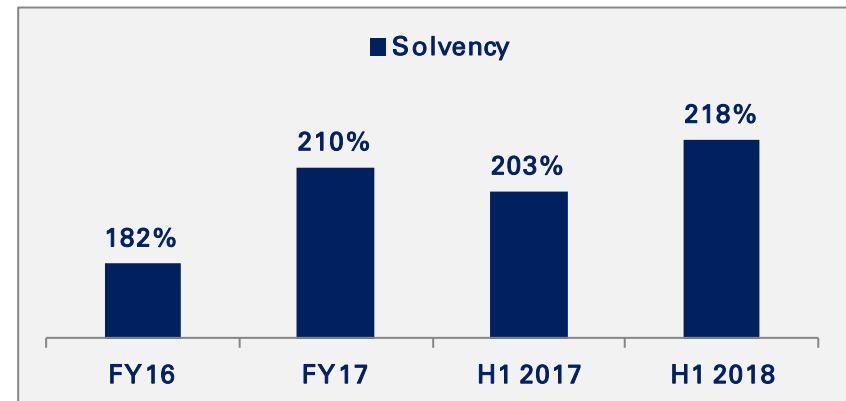
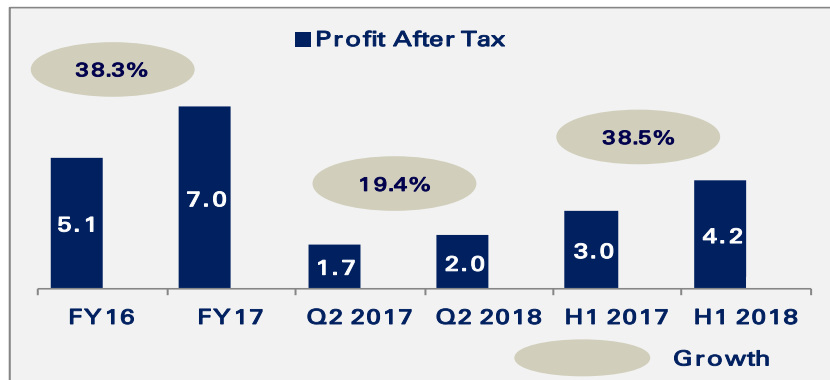
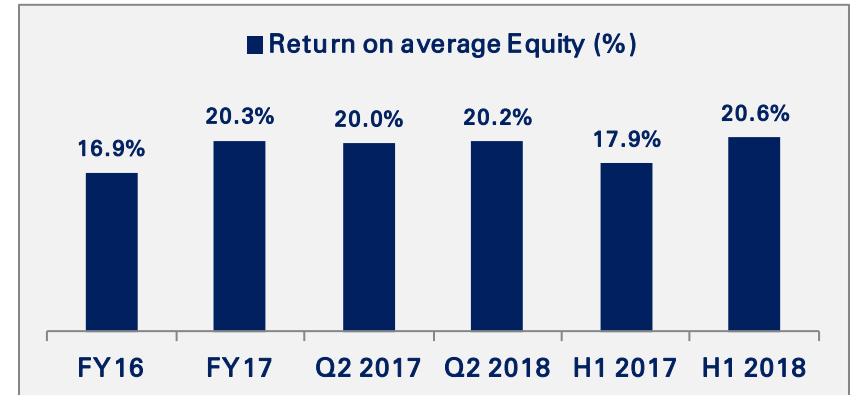
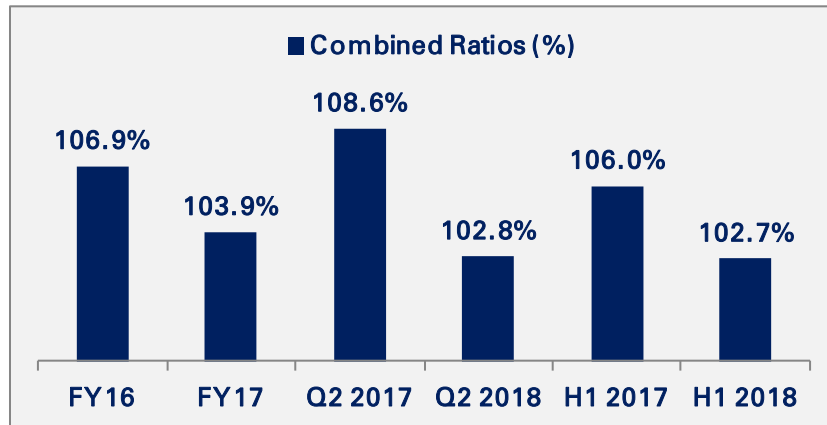
- Largest investment book among private non-life Insurer
- Investment portfolio mix at H1-2018- Corporate bonds (45.1%), G-Sec (32.5%) and equity (15.8%)
- Strong investment leverage
- Unrealised Gains in H1 2018 were ₹ 10.3 bn

#Total investment assets (net of borrowings) / net worth

Source: GI council

* Annualised returns

Financial performance



- Combined ratio for H12018 impacted on account of flood at various states
 - Combined ratio without flood at various states :102.1%
 - Flood Impact (net) of ₹ 0.18 bn

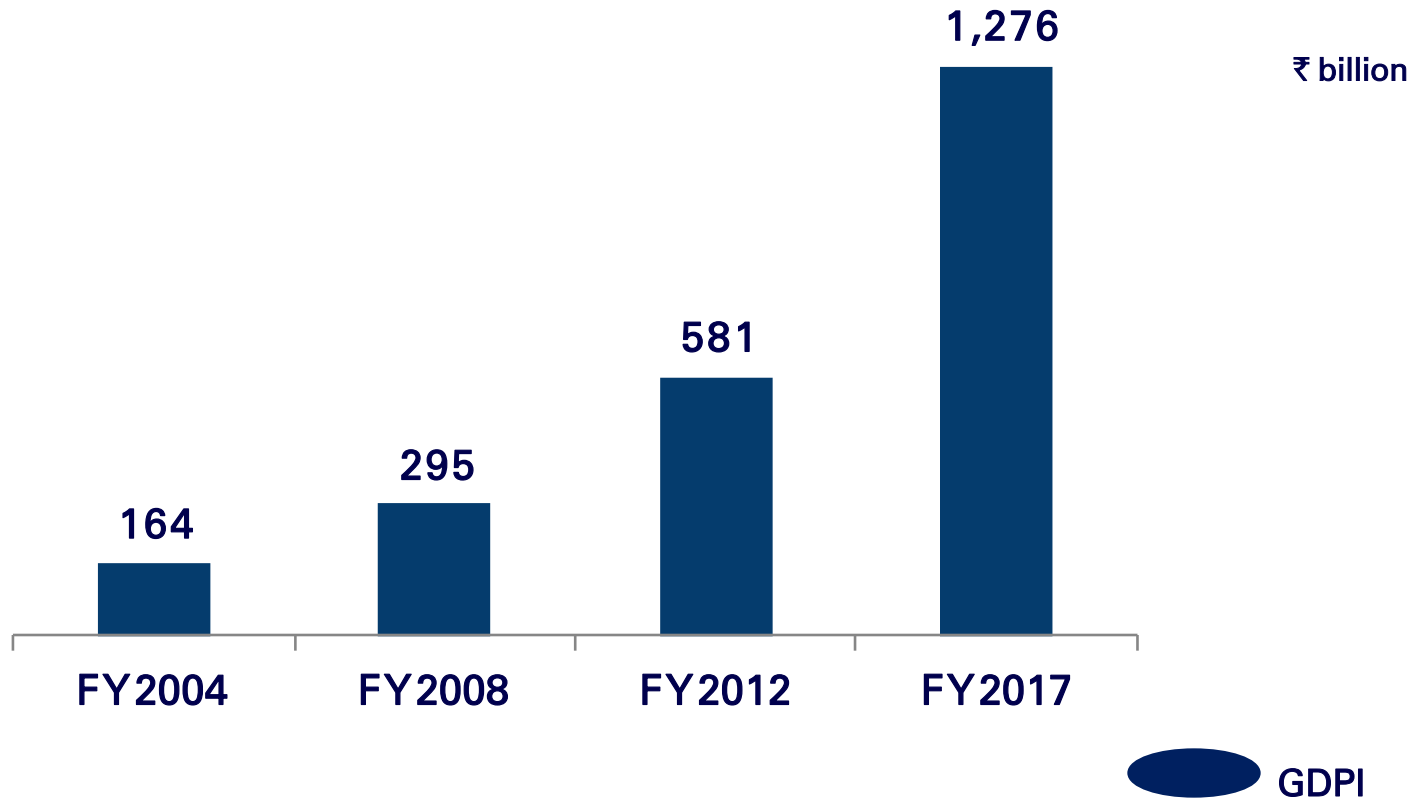
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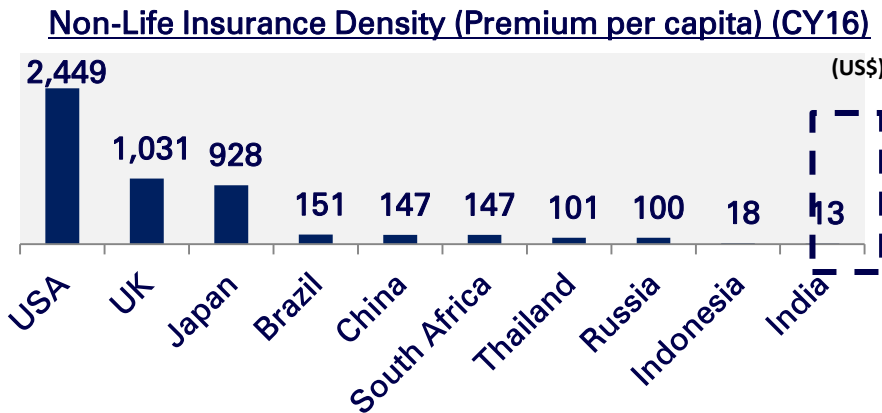
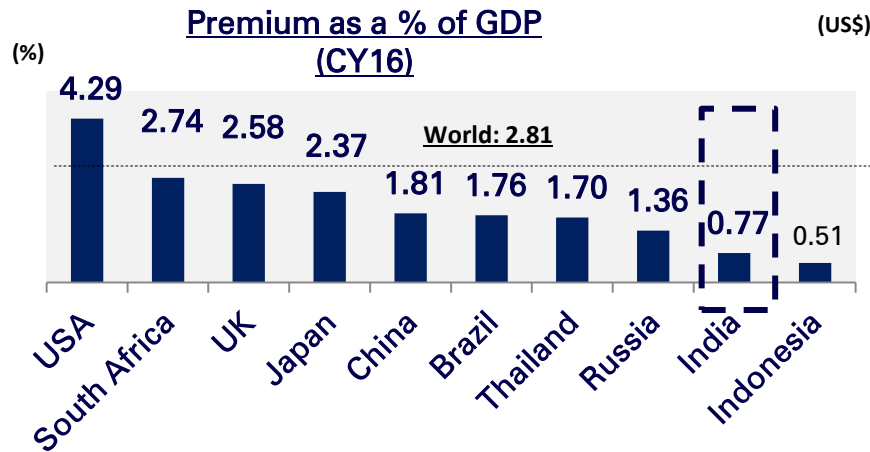
Industry has witnessed steady growth



- Industry has grown at CAGR of 17% in the last 15 years
- Industry growth @ 32.4% for FY2017 & 19.5% for H1-2018

India Non-life Insurance Market- Large Addressable Market

Significantly underpenetrated



- 4th largest non-life insurance market in Asia
- GDP growth at CAGR of 17% from FY 2001 to FY 2017
- Non-life Insurance penetration in India was around 1/4th of Global Average in 2016

● ¹⁶ Source: Sigma 2016 Swiss Re

Thank you

Annexure

Loss ratio

Particular	FY2016	FY2017	Q2 2017	Q2 2018	H1 2017	H1 2018
Motor OD	65.6%	64.2%	71.0%	54.0%	71.2%	58.0%
Motor TP	97.7%	97.4%	92.9%	111.4%	94.2%	104.7%
Health	84.7%	97.9%	102.6%	75.3%	103.0%	80.4%
PA	64.3%	41.3%	55.4%	19.9%	54.0%	31.3%
Crop	140.0%	84.2%	90.1%	106.3%	88.6%	114.1%
Fire	63.6%	68.4%	87.6%	61.0%	68.1%	60.8%
Marine	97.5%	83.9%	76.2%	68.3%	79.6%	71.5%
Engineering	69.4%	53.3%	58.4%	35.1%	58.5%	43.5%
Other	69.3%	62.1%	61.8%	64.6%	59.3%	57.0%
Total	81.5%	80.4%	83.8%	78.5%	83.3%	78.3%

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.

ICICI Lombard General Insurance Company Limited

Opening Remarks-Earnings Conference Call-Quarter ended September 30, 2017 (Q2FY2018)

October 17, 2017

Moderator introduced Mr. Bhargav Dasgupta, Managing Director & CEO and Mr. Gopal Balachandran, Chief Financial Officer of the Company to the audience.

Mr. Bhargav Dasgupta: Good evening. I welcome you to the earnings conference call of ICICI Lombard General Insurance Company Limited for Q2 FY2018. We are happy to be addressing you on our first earnings call after having become the first non-life insurance company to be listed on the stock exchanges of India on September 27, 2017.

Before we update you on the specific performance of the Company in the quarter ended September 30, 2017, I would like to spend some time on re-emphasising our business model and areas of focus.

We are the largest private-sector non-life insurer in India based on gross direct premium income in fiscal 2017, a position we have maintained since fiscal 2004. We have adopted a robust business model that focuses on driving long term premium income growth, well balanced with profitability over the long term. To achieve this, we have developed a multi-product, multi-distribution structure. Today, we offer our customers a comprehensive product portfolio, including motor, health, crop, fire, personal accident, marine, engineering and liability insurance. In terms of our distribution strength, we have adopted a multi-channel distribution model enabling us to reach 618 out of 716 districts of India. We source premium directly and through brokers, bank partners, corporate agents as well as individual agents.

As an organisation, we have always focused on customer centricity. When it comes to customer service, one of the key aspects is claim settlement. On the aspect of settling claims speedily, we settled 99.98% health claims within 30 days in Q2 FY2018. We also place a lot of emphasis on handling claims seamlessly deploying dedicated resources as well as the latest technology to ensure a hassle-free experience for our customers in their hour of need. In an initiative aimed at improving our customer experience with regard to communication, we also in-housed our service call center few years back. This has helped us consistently improve the first call resolution of customer calls with the same being 85.4% in the most recent half yearly period of H1 FY2018.

Technology has been one of the key drivers of our operations. We have deployed the latest technology in our operations, be it using chatbots for resolving customer queries, seamless claim settlement as well as for completing transactions without any human intervention. In H1 FY2018, we surveyed 92.8% of motor OD claims through use of tablets. Further, we have taken new initiatives aimed at empowering our customers by introducing features such as self-video inspection on our mobile app. Today, we are also at the forefront in using analytics and Big Data for better customer segmentation, targeting and engagement and fraud control.

We have built a robust risk management framework built on the pillars of underwriting, reinsurance, reserving and investments. We use data and analytics for risk selection resulting into better loss experience. We are also very particular when it comes to disclosures. We have been disclosing reserving triangles since FY2016 in our Annual report.

We believe that our consistent focus on these areas has enabled us to lead the industry growth curve and maintain the leadership position across market segments amongst private sector general insurance companies.

I will now request Gopal to take you through the performance for the recently concluded quarter.

Mr. Gopal Balachandran briefed the audience on performance of the Company

Mr. Gopal Balachandran: I will now give you a snapshot of our business performance for the quarter ended September 30, 2017. We have put up the results presentation on our website. You could access it as we walk you through the performance presentation.

The Gross Direct Premium (GDPI) of our Company increased to ₹ 64.94 billion in H1 FY2018 compared to ₹ 55.65 billion in H1 FY2017, registering a growth of 16.7%.

As Bhargav emphasised in his address, we have a well-diversified portfolio comprising of Motor insurance at 38%, health and personal accident at 17%, crop insurance at 25% and property at 20% of GDPI. If we look at the health portfolio, retail, corporate and government sponsored health contributed to 63.1%, 36.9% and 0% respectively of health GDPI in Q2 FY2018.

If you were to look at the core profitability of our business measured by Combined ratio, our performance has been positive. Combined ratio improved to 102.8% in Q2 FY2018 from 108.6% in Q2 FY2017. Our emphasis on risk selection has resulted in an improvement in loss ratio to 78.5% in Q2 FY2018 from 83.8% in Q2 FY2017. Claims incurred include losses of Net claims of ₹ 0.18 billion on account of the recent floods in Q2 FY2018.

Our Profit after tax (PAT) for Q2 FY2018 grew at 19.3% to ₹ 2.04 billion compared to ₹ 1.71 billion in Q2 FY2017. In terms of Return on Average Equity i.e. ROE, the same was 20.2% in Q2 FY2018 compared to 20.0% in Q2 FY2017.

We have the largest total investment assets among the private-sector non-life insurers in India. Our Investment assets rose to ₹ 167.63 billion at September 30, 2017. Our Investment leverage (net of borrowings) was 3.93x at September 30, 2017.

The Solvency ratio was at 2.18x at September 30, 2017 as against 2.03x at September 30, 2016 and higher than the minimum regulatory requirement of 1.50x.

We declared an Interim dividend of ₹ 0.75 per share for Q2 FY2018. Going forward the Board will consider dividend proposals on a half-yearly basis.

Closing Remarks

To summarise, I would like to re-emphasise on the fact that we are focused on building a sustainable business franchise that aims at ensuring profitable growth in the long term with prudent risk selection, conservative reserving practices while keeping our customers at the center of our focus at all times.

I would like to thank you for attending this conference call pertaining to our earnings for Q2 FY2018. We would now be happy to take specific questions that you may have.

Ends

Note - Will be replaced with the Final Q & A