

Ref. No.: MUM/SEC/167-10/2018

October 20, 2018

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, 5<sup>th</sup> Floor, Plot C/1,  
G Block, Bandra-Kurla Complex  
Mumbai - 400051

**BSE SCRIP Code: 540716**

**NSE Symbol: ICICIGI**

Dear Sir/Madam,

**Disclosure under Regulation 30 read with Schedule III and Regulation 46(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Regulations, 2015)**

**Ref: Investor Presentation – Audited Financial Results for the quarter ended September 30, 2018**

In compliance with above mentioned Regulation, please find enclosed the Investors Presentation on the Audited Financial Results for the quarter ended September 30, 2018 of the Company.

You are requested to kindly take same on records.

Thanking you,

Yours Sincerely,

For ICICI Lombard General Insurance Company Limited



Vikas Mehra  
Company Secretary

Encl: As above

**ICICI Lombard General Insurance Company Limited AA**

IRDA Reg. No. 115

CIN: L67200MH2000PLC129408

Mailing Address:

Registered Office:

Toll free No. : 1800 2666

401 & 402, 4th Floor, Interface 11, ICICI Lombard House, 414, Veer Savarkar Marg, Alternate No.: +919223622666 (chargeable)

New Linking Road, Malad (West), Near Siddhi Vinayak Temple, Prabhadevi,

Email: customersupport@icicilombard.com

Mumbai - 400 064.

Mumbai - 400 025.

Website: www.icicilombard.com

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# H12019 Performance Review

October 20, 2018



# Agenda

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Company Strategy

Financial Performance

Industry Overview

# Agenda

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Company Strategy

Financial Performance

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

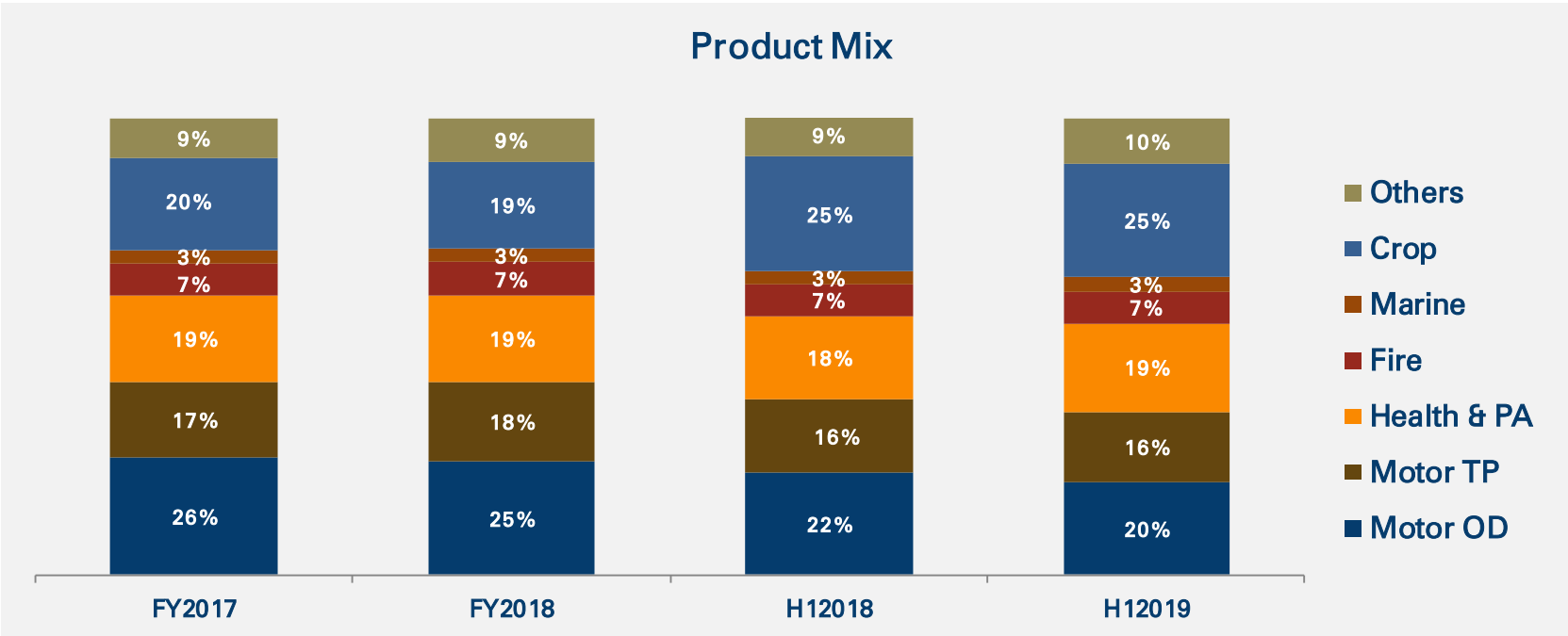
- Reduce Combined ratio using risk selection and data analytics
- Maintain robust reserves
- Increasing distribution and servicing capabilities without human intervention
- Increase operational efficiency using artificial intelligence and machine learning techniques

# Key Highlights

Particulars (₹ billion)	FY2017 Actual	FY2018 Actual	H12018 Actual	H12019 Actual
Gross Written Premium	109.60	126.00	66.29	74.92
Gross Direct Premium Income (GDPI)	107.25	123.57	64.94	73.05
GDPI Growth	32.6%	15.2%	16.7%	12.5%
Combined Ratio	103.9%	100.2%	102.7%	100.1%
Profit after Tax	7.02	8.62	4.18	5.82
Return on Average Equity	20.3%	20.8%	21.3%	24.4%
Solvency Ratio	2.10x	2.05x	2.18x	2.10x
Book Value per Share	82.57	100.04	91.17	109.85
Basic Earnings per Share	15.66	19.01	9.24	12.83

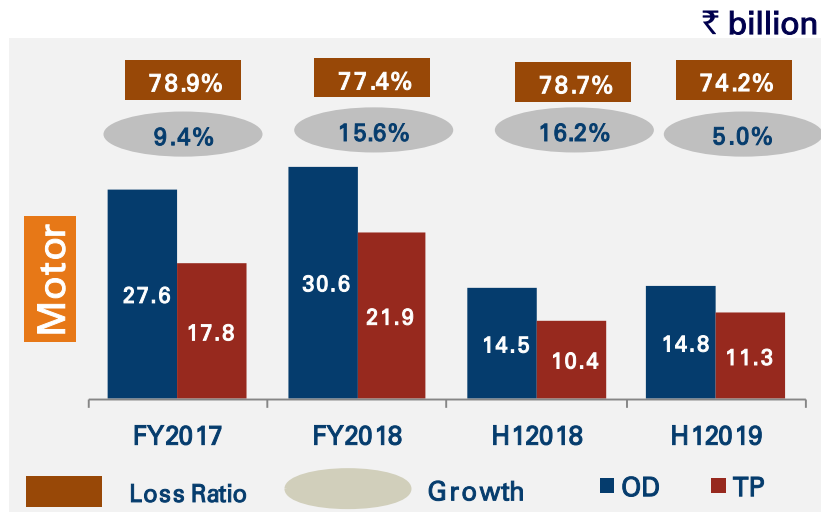
- Market leadership amongst private sector general insurance companies since FY2004

# Comprehensive Product Portfolio

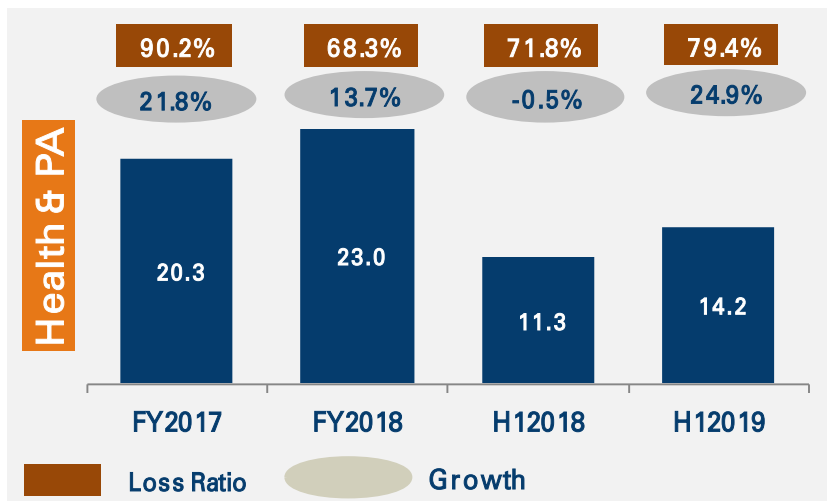


- Diversified product mix– motor, health & personal accident, crop, fire, marine insurance
- SME business growth was 35.0% for H12019

# Comprehensive Product Portfolio



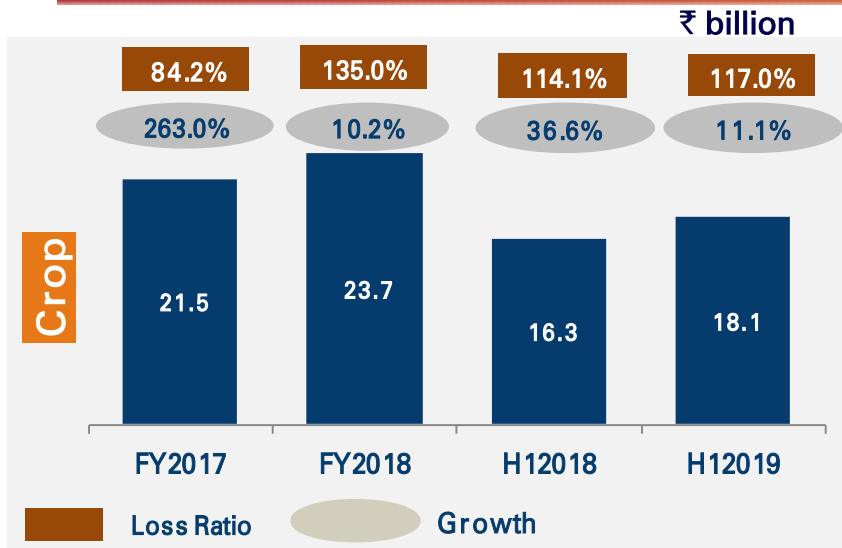
- Private car, Two wheeler and Commercial Vehicle contributed 50.0%, 30.1% and 19.9% respectively of Motor GDPI for H12019 and 50.8%, 30.8% and 18.4% respectively of Motor GDPI for H12018
- Loss cost driven micro-segmentation resulting in focus on relatively profitable segment



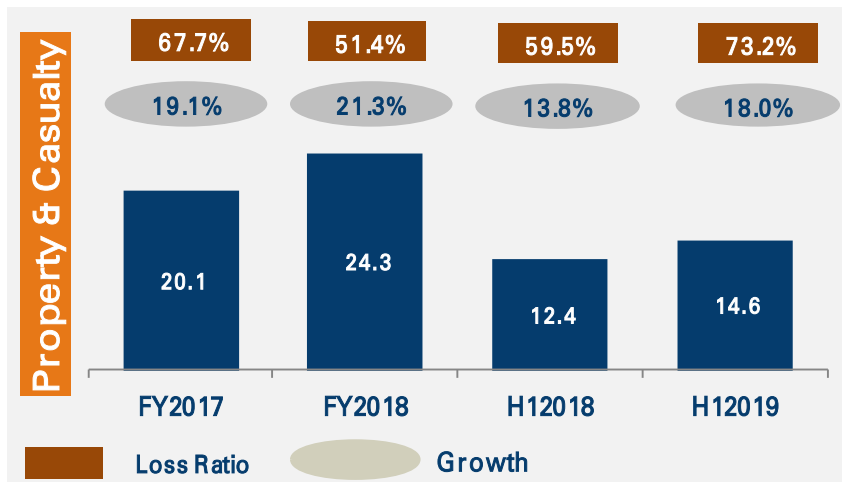
- Retail, Corporate and mass contributed to 54.1%, 44.3% and 1.6% respectively of Health & PA GDPI for H12019 and 48.5%, 49.3% and 2.2% respectively for H12018
- Retail indemnity new business grew by 70% for H12019



# Comprehensive Product Portfolio

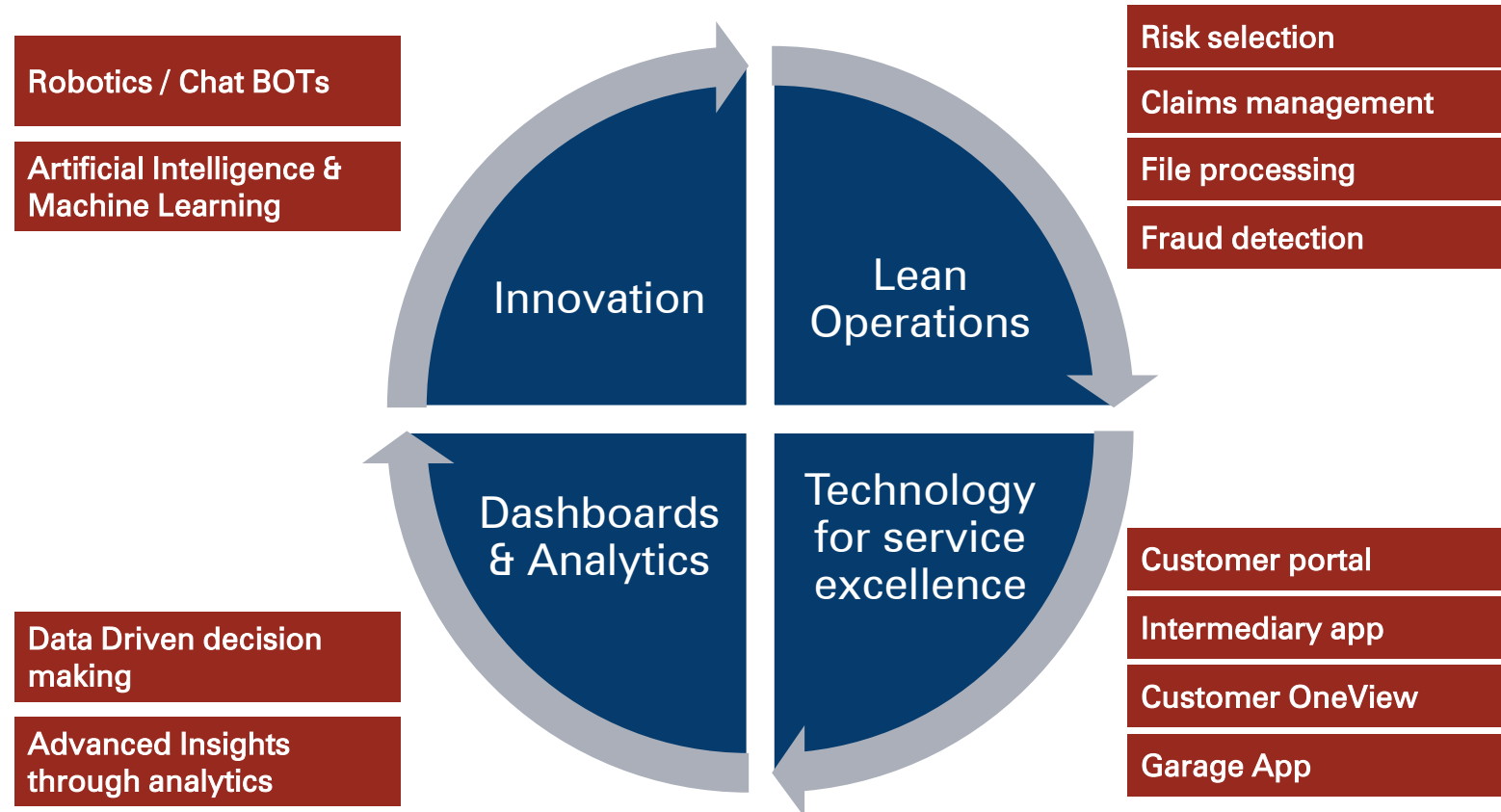


- Covered farmers in 4 states and 30 districts in Kharif season H12019 compared to 7 states and 56 districts in Kharif H12018



- Underwriting of small risks for portfolio diversification and pricing
- Focus on risk mitigation through value added services

# 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

## Reinsurance

- Spread of risk across panel of quality re-insurers
  - Current panel of reinsurers\* rated 'A-' or above\*\*
- Conservative level of catastrophe (CAT) protection
  - Net impact of Kerala floods estimated to be at ₹ 0.25 bn

## Investments

- Tighter internal exposure norms as against regulatory limits
- Invest high proportion of Debt portfolio (78.0%) 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 & select coinsurance follower reinsurance placement

\*\*S&P or equivalent international rating

10 \*\*\* domestic credit rating

# Agenda

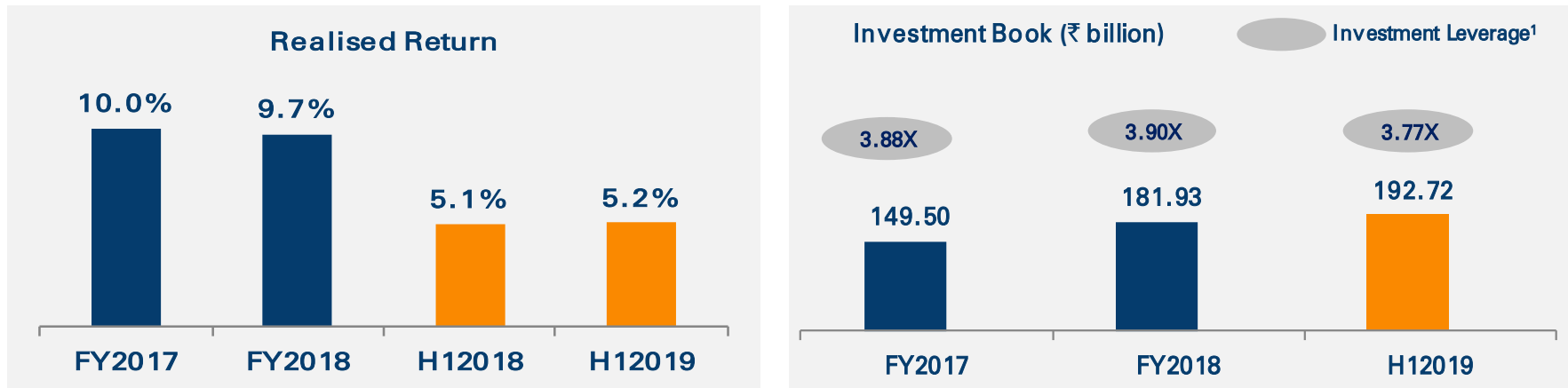
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Company Strategy

Financial Performance

Industry Overview

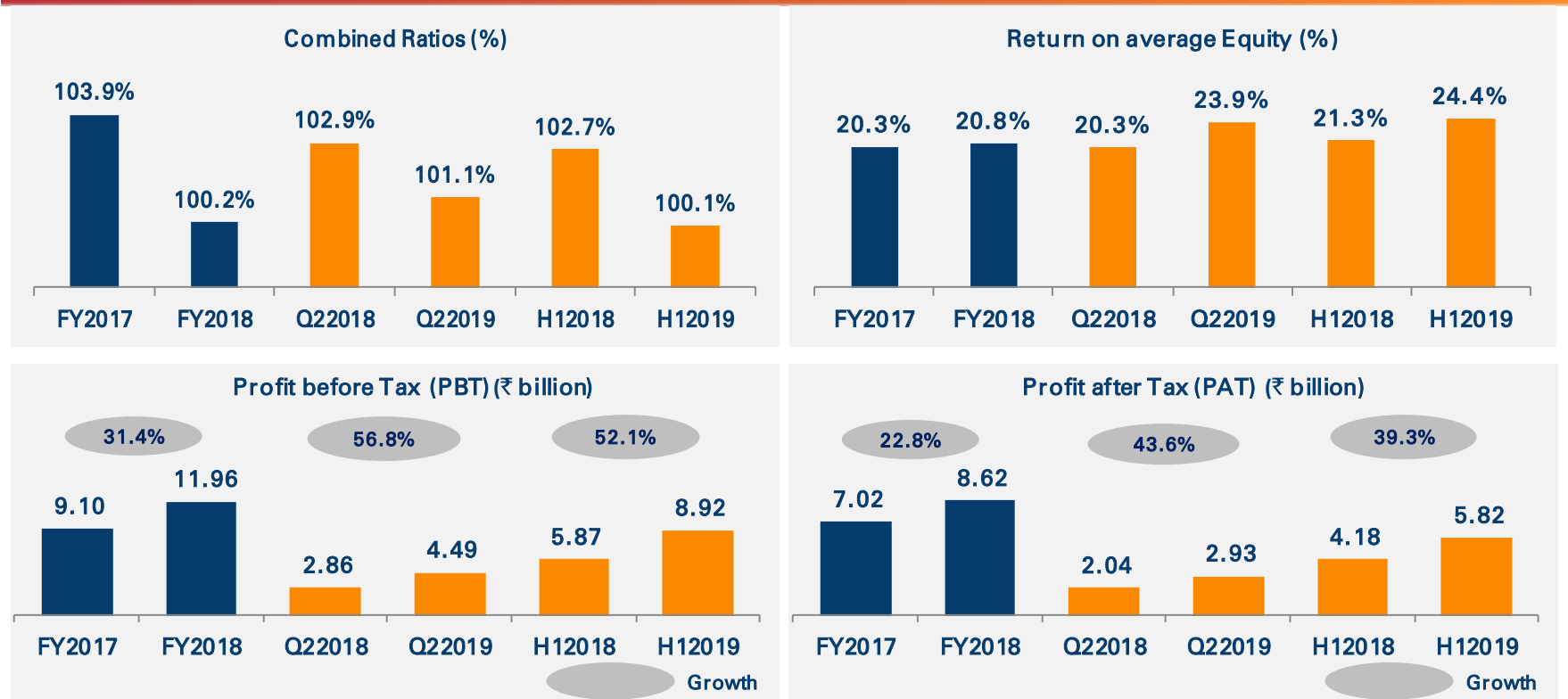
# Robust Investment Performance



- Investment portfolio mix<sup>2</sup> at H1 FY2019 : Corporate bonds (49.0%), G-Sec (31.2%) and equity (14.0%)
- Strong investment leverage
- Unrealised loss (net) at ₹ 2.35 billion as on September 30, 2018
  - Unrealised gain on equity<sup>3</sup> portfolio at ₹ 3.86 billion
  - Unrealised loss<sup>4</sup> on debt portfolio at ₹ 6.21 billion

<sup>1</sup> Total investment assets (net of borrowings) / net worth  
<sup>2</sup> Investment portfolio mix includes Equity & mutual funds at market value  
<sup>3</sup> Equity includes mutual funds  
<sup>4</sup> Impacted by rising yield on fixed income securities

# Financial performance



- Solvency ratio at September 30, 2018 : 2.10x as against regulatory minimum solvency requirement of 1.5x
- Combined ratio for Q22019 & H12019 includes losses from Kerala floods (estimated at ₹ 0.25 billion)
  - Combined ratio excluding flood losses : 99.9% in Q22019 & 99.5% in H12019
- PBT & PAT includes the one off impact of ₹ 0.58 billion recovered on account of doubtful reinsurance recoverable already provided in earlier years

# Agenda

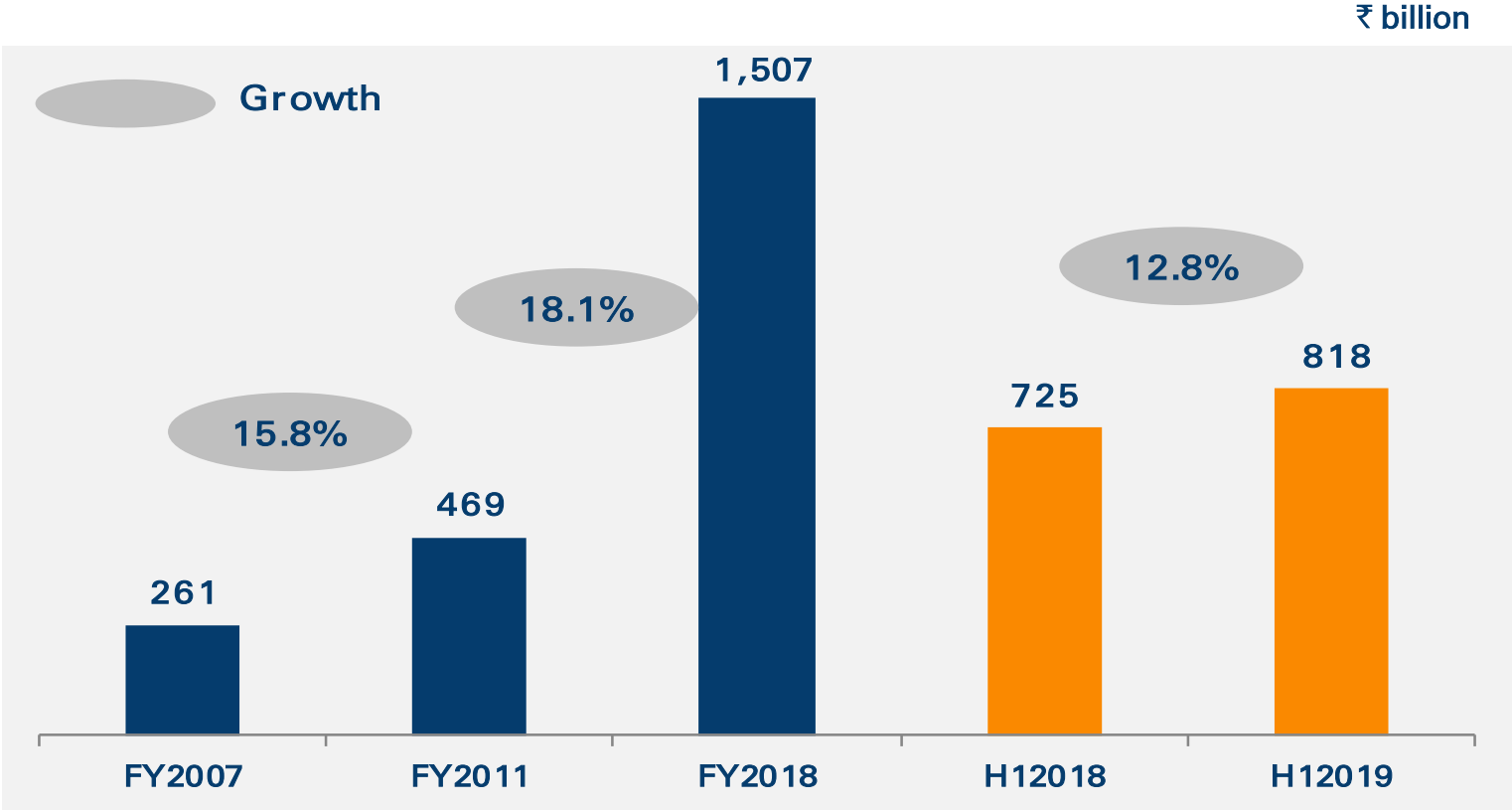
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Company Strategy

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# Industry has witnessed steady growth

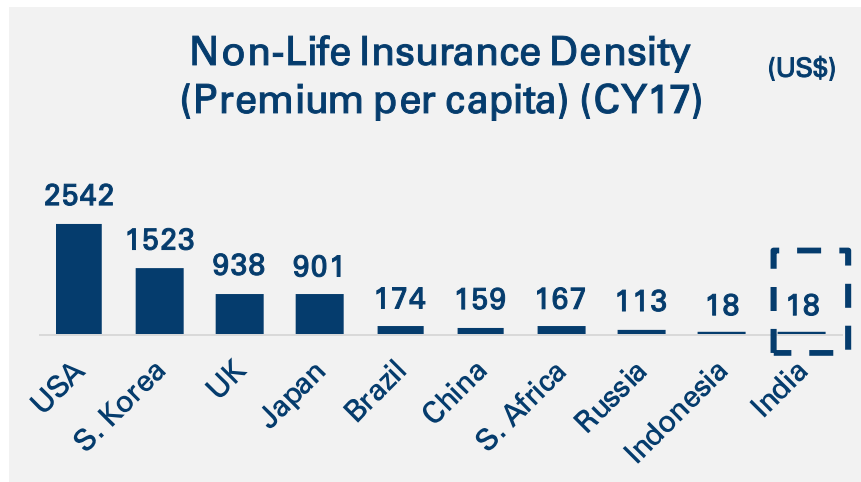
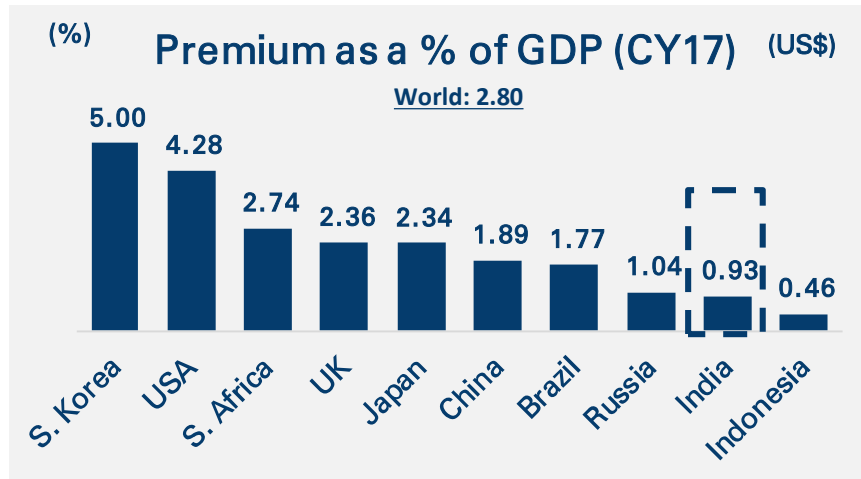


- Industry has grown at CAGR of 17% in the last 17 years



# India Non - life Insurance Market - Large Addressable Market

Significantly underpenetrated



- 4<sup>th</sup> largest non-life insurance market in Asia
- Non-life Insurance penetration in India was around 1/3<sup>rd</sup> of Global Average in 2017
- Operates under a “cash before cover” model

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Thank you

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# Annexure

# Loss ratio

Particulars	FY2017	FY2018	Q22018	Q22019	H12018	H12019
Motor OD	64.2%	53.7%	54.0%	59.7%	58.0%	61.3%
Motor TP	97.4%	107.1%	111.4%	90.5%	104.7%	90.5%
Health	97.9%	77.6%	75.3%	84.9%	80.4%	85.2%
PA	41.3%	23.9%	19.9%	46.3%	31.3%	51.2%
Crop	84.2%	135.0%	106.3%	117.1%	114.1%	117.0%
Fire	68.4%	43.1%	61.0%	84.6%	60.8%	96.3%
Marine	83.9%	54.2%	68.3%	117.8%	71.5%	100.8%
Engineering	53.3%	24.0%	35.1%	45.4%	43.5%	45.2%
Other	62.1%	57.3%	64.6%	56.2%	57.0%	58.5%
<b>Total</b>	<b>80.4%</b>	<b>76.9%</b>	<b>78.5%</b>	<b>80.4%</b>	<b>78.3%</b>	<b>78.8%</b>

# Reserving Triangle Disclosure – Total<sup>1</sup>

## Incurring Losses and Allocated Expenses (Ultimate Movement) ₹ billion

As at March 31, 2018	Prior	AY 09	AY 10	AY 11	AY 12	AY 13	AY 14	AY 15	AY 16	AY 17	AY 18
End of First Year	25.23	12.85	15.13	20.66	22.53	27.97	35.96	34.16	39.13	49.49	52.41
One year later	26.15	13.24	15.23	20.44	21.97	27.02	34.63	33.95	38.58	49.20	
Two years later	26.62	13.03	15.39	20.41	21.74	26.52	34.37	33.53	38.07		
Three years later	26.84	13.21	15.52	20.36	21.85	26.40	34.29	32.91			
Four years later	27.28	13.35	15.55	20.47	21.83	26.46	33.85				
Five years later	27.84	13.39	15.66	20.48	21.81	26.21					
Six years later	27.92	13.46	15.91	20.53	21.83						
Seven Years later	28.42	13.53	15.96	20.67							
Eight Years later	28.58	13.50	16.02								
Nine Years later	28.74	13.62									
Ten Years later	28.76										
Deficiency/ Redundancy (%)	14.0%	6.0%	5.9%	0.1%	-3.1%	-6.3%	-5.9%	-3.7%	-2.7%	-0.6%	

## Unpaid Losses and Loss Adjusted Expenses

As at March 31, 2018	Prior	AY 09	AY 10	AY 11	AY 12	AY 13	AY 14	AY 15	AY 16	AY 17	AY 18
End of First Year	5.43	4.81	5.31	7.18	7.98	12.01	17.32	17.10	20.44	26.84	32.58
One year later	2.93	1.61	1.83	2.67	3.33	6.11	9.70	11.58	14.06	16.86	
Two years later	2.24	0.85	1.34	2.00	2.46	4.72	7.92	9.61	11.46		
Three years later	1.82	0.73	1.15	1.58	2.12	3.84	6.73	7.80			
Four years later	1.67	0.71	0.96	1.39	1.76	3.39	5.58				
Five years later	1.73	0.62	0.90	1.13	1.47	2.77					
Six years later	1.44	0.59	0.83	1.00	1.28						
Seven Years later	1.63	0.59	0.76	0.97							
Eight Years later	1.49	0.50	0.69								
Nine Years later	1.39	0.52									
Ten Years later	1.22										

<sup>1</sup>As of March 31, 2018; Losses and expenses in the above tables do not include the erstwhile Indian Motor Third Party Insurance Pool (IMTPIP)

<sup>20</sup> AY: Accident Year Source – Company data

# Reserving Triangle Disclosure – IMTPIP

## Incurring Losses and Allocated Expenses (Ultimate Movement) ₹ billion

As at March 31, 2018	AY 08	AY 09	AY 10	AY 11	AY 12	AY 13
End of First Year						2.71
One year later					3.85	2.72
Two years later				4.49	3.85	2.73
Three years later			5.81	4.49	3.98	2.73
Four years later		6.16	5.81	4.63	4.12	2.74
Five years later	2.61	6.16	5.85	4.67	4.41	3.16
Six years later	2.61	6.46	5.96	4.99	5.12	
Seven Years later	2.86	6.55	6.05	5.45		
Eight Years later	2.95	6.69	6.55			
Nine Years later	3.00	6.98				
Ten Years later	3.09					
Deficiency/ Redundancy (%)	18.4%	13.2%	12.9%	21.3%	32.8%	16.6%

## Unpaid Losses and Loss Adjusted Expenses

As at March 31, 2018	AY 08	AY 09	AY 10	AY 11	AY 12	AY 13
End of First Year						2.67
One year later					3.41	2.30
Two years later				3.14	2.57	1.87
Three years later			3.17	2.38	1.98	1.37
Four years later		2.67	2.51	1.84	1.51	0.98
Five years later	0.86	2.05	2.03	1.32	1.22	1.13
Six years later	0.63	1.89	1.56	1.19	1.63	
Seven Years later	0.72	1.50	1.26	1.31		
Eight Years later	0.65	1.23	1.39			
Nine Years later	0.55	1.19				
Ten Years later	0.52					

As of March 31, 2018

IMTPIP: Indian Motor Third Party Insurance Pool

21 AY: Accident Year Source – Company data