



HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED

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Ref. No. SE/ 2016-17/190

October 17, 2016

BSE Limited
P. J. Towers,
Dalal Street,
Mumbai 400 001.

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Flr, Plot No. C/1,
Bandra-Kurla Complex, Bandra (East)
Mumbai 400 051.

**Kind Attn: Sr. General Manager
DCS - Listing Department**

Kind Attn: Head - Listing

Dear Sirs,

Sub: Intimation under Regulation 30(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We wish to inform you that the Board of Directors of HDFC Standard Life Insurance Company Limited (HDFC Life), a material non listed subsidiary of the Corporation, at its meeting held today i.e. on October 17, 2016, approved the audited condensed standalone and unaudited condensed consolidated financial statements of HDFC Life for the half-year ended September 30, 2016. A copy of the press release issued by HDFC Life in this regard is enclosed herewith.

We request you to kindly take note of the above and arrange to bring this to the notice of all concerned.

Kindly acknowledge the receipt.

Thanking you,

Yours faithfully,

For **Housing Development Finance Corporation Limited**


Ajay Agarwal
Company Secretary

Encl: a/a

Corporate Office: HDFC House, H T Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai 400 020.

Tel.: 66316000, 22820282. Fax: 022-22046834, 22046758.

Regd. Office: Ramon House, H T Parekh Marg, 169, Backbay Reclamation, Churchgate, Mumbai 400 020. INDIA.
Corporate Identity Number: L70100MH1977PLC019916

October 17, 2016

The Company Secretary
Housing Development Finance Corporation Limited ('HDFC')
4th Floor, HDFC House
165-166, Backbay Reclamation, H T Parekh Marg
Churchgate, Mumbai 400020

Dear Sir,

Sub: Approval of the Financial Statements for the Half Year ended September 30, 2016

Ref: Compliances pertaining to Subsidiary under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to inform you that the Board of Directors of the Company at its meeting held today, approved the audited Condensed standalone and unaudited Condensed Consolidated Financial Statements of the Company for the Half Year ended September 30, 2016 ('Financial Statements').

We are enclosing herewith a copy of Press Release issued by the Company with regard to the Financial Statements, for your information and record.

We request you to kindly take note of the above, and do the needful.

Thanking you,

Sincerely,
For **HDFC Standard Life Insurance Company Limited**



Manish Ghiya
EVP, Company Secretary &
Head-Compliance & Legal

CC: Mr Stuart Fiskin
Standard Life

PRESS RELEASE

Standalone Financial results for the half year ended Sept 30, 2016

Mumbai, Oct 17, 2016: The Board of Directors of HDFC Life today approved and adopted its Audited Financial Results for the half year ended Sept 30, 2016.

Snapshot for the half year ending Sept 30, 2016:

- **Market share:** Ranked amongst top 3 private players in individual and group business category. Registered market share of 12.5% for Individual business (amongst private industry) in terms of Weighted Received Premium (WRP) ranking #3. Ranked #2 within Group business amongst private players, with market share of 19.5% (on received premium);
- **Total premium:** Steady growth of 16% to ₹ 76.49 Bn, aided by growth in new business premium of 29% and renewal business growth of 8%;
- **Persistency ratio:** Constant improvement in persistency (based on data till Aug'16 with a 1 month lag as per the IRDAI definition), with 13th month persistency at 80%;
- **Assets Under Management:** Registered healthy growth of 18% to ₹ 826.61 Bn, with underlying Debt: Equity mix of 59:41;
- **Embedded Value:** Embedded Value (IEV methodology) at ₹ 113.61 Bn as on Sept 30, 2016. Operating return on Embedded Value (*Annualised EVOP/Opening Embedded value*) at 18.1%
- **New business margins:** Overall new business margins based on actual expenses (post overrun) at 23.0% for the half year ended Sept 30, 2016

Key Financial Summary

₹ Bn	FY16	FY15	YoY	H1 FY17	H1 FY16	YoY
Key Financial Metrics						
New Business Premium	64.87	54.92	18%	33.75	26.25	29%
Renewal Premium	98.26	93.38	5%	42.74	39.65	8%
Total Premium	163.13	148.30	10%	76.49	65.90	16%
Individual WRP	33.33	29.67	12%	12.87	12.82	0%
Group Premium	28.30	21.79	30%	18.26	11.88	54%
Premium Less Benefit Payouts (1)	80.57	65.75	23%	24.72	28.30	-13%
IGAAP Profit After Tax	8.18	7.86	4%	4.64	4.15	12%
Assets Under Management (AUM)	742.47	670.47	11%	826.61	697.80	18%
Embedded Value (2)	102.33	88.05	16%	113.61	95.49	19%
Net Worth (3)	31.50	25.44	24%	36.34	29.59	23%

	FY16	FY15	YoY	H1 FY17	H1 FY16	YoY
Key Financial Ratios						
Overall New Business Margins (post overrun)	19.9%	18.5%		23.0%	18.1%	
Operating Return on EV (2)	20.6%	21.7%		18.1%	19.0%	
Operating Expenses / Total Premium	11.6%	10.2%		13.2%	11.0%	
Solvency Ratio	198%	196%		209%	204%	
13M Persistency (4)	79%	73%		80%	75%	
Conservation Ratio (5)	80%	90%		82%	81%	
Business Mix (%)						
Product (UL/Trad Non Par/Trad Par) (6)	56/14/30	63/16/21		48/14/38	62/15/23	
Indl Distribution (CA/Agency/Broker/Direct) (6)	75/12/4/9	74/13/5/8		70/13/6/11	73/13/4/10	
Total Distribution (CA/Agency/Broker/Direct/Group) (7)	40/8/2/7/43	41/10/3/6/40		28/9/2/7/54	37/9/2/7/45	

Notes:

1. Gross of reinsurance for both individual and group business
2. FY16 EV based on external review. For H1, Operating return on EV is annualised
3. Net worth comprises of Share capital, Share premium and Accumulated profits/(losses)
4. Persistency ratios are calculated with a 1 month lag for the period for respective years (*period ended Aug 16 for FY17 reporting*), based on individual business as per the latest IRDA circular
5. Conservation ratio for individual business
6. Based on individual APE excluding service tax. UL stands for Unit Linked, Trad stands for Traditional, Par stands for Participating & CA stands for Corporate Agents. Percentages are rounded off.
7. On total new business premium including group. Percentages are rounded off.

Merger update

On August 8, 2016, the Board of Directors of HDFC Life, Max Life Insurance Company Limited ("Max Life"), Max Financial Services Limited ("Max Financial") and Max India Limited ("Max India") at their respective board meetings, approved entering into definitive agreements for the amalgamation of the businesses between the above entities through a composite Scheme of Arrangement ("Scheme"). As part of the Scheme, and subject to applicable regulatory approvals as detailed below, Max Life will merge into Max Financial, the life insurance undertaking will de-merge from Max Financial, and amalgamate into HDFC Life and Max Financial will merge into Max India Limited. The shares of HDFC Life are expected to be listed on The Bombay Stock Exchange and The National Stock Exchange of India as a consequence of the Scheme. HDFC Ltd. and Standard Life will continue to be the promoters of the merged entity ("HDFC Life").

The closing of the proposed transactions and listing of the shares of [HDFC Life/MergeCo] will be subject to regulatory and other approvals such as approval by the Insurance Regulatory and Development Authority of India (IRDAI), Competition Commission of India (CCI), The Securities and Exchange Board of India (SEBI), stock exchanges, Hon'ble High Courts amongst others.



The company has filed the relevant application to CCI and IRDAI for their approval. We are in the process of filing application request with SEBI and shall apply for High court approval post approval from CCI, SEBI and IRDAI. Further the payment by [HDFC Life/MergeCo] of a non-compete fee to the promoter group shareholders of Max Financial has been passed by a majority vote of Max Financial's public shareholders during the last quarter (Q2), which is an important step forward in the process.

The entire process is expected to complete in 12-15 months from the date of announcement of the transaction.

Announcing the Company's financial results, Mr. Amitabh Chaudhry, MD & CEO, HDFC Life, said, "We continue to focus on delivering steady performance along with quality growth. Our endeavor is to innovate across the value chain by leveraging technology solutions and investing in new avenues of distribution. Our efforts continue in providing customized protection and health solutions to our customers."

The Company continues to win several awards during the current fiscal, across customer service, technology, digital solutions, etc.

About HDFC Life

HDFC Standard Life Insurance Company Limited ('HDFC Life' / 'Company') is a partnership between HDFC Ltd., India's leading housing finance institution and Standard Life, a global investment company.

Established in 2000, HDFC Life is a leading 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, and Health. As on Sept 30, 2016, the Company had 29 individual and 8 group products in its portfolio, along with 8 optional rider benefits catering to a diverse range of customer needs.

HDFC Life continues to benefit from having a wide reach with HDFC Life offices in India and 12,000+ distributor touch-points. The Company has a strong base of financial consultants.

For more information, please visit our website, www.hdfclife.com. You may also connect with us on Facebook, Twitter, YouTube and LinkedIn.