आपत्काले रक्षिष्यामि
GIC Re

Ref. No.: GIC Re/SE/2017-18/Q3-OBM

Date: February 12, 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, 5th Floor, Plot C/1,
G Block, Bandra Kurla Complex
Mumbai - 400051

Scrip Code: (BSE – 540755/ NSE – GICRE)

Dear Sir/Madam,

Sub: Outcome of Board Meeting held on February 12,2018

Pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and other applicable requirements, we forward herewith a copy of the unaudited financial results for the quarter/ period ended December 31, 2017 together with the Auditors Limited Review Report approved by the Board of Directors at its meeting held on February 12, 2018.

A copy of the press release being issued in this connection is also attached.

We request you to kindly take the above information on record.

Thanking You

Yours sincerely

For General Insurance Corporation of India

(Suchita Gupta)
Company Secretary & Compliance Officer

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General Insurance Corporation of India
GIC Re

Press Release

GIC Re announces financial performance for the quarter and nine months ended December 31, 2017

Mumbai, February 12, 2018: GIC Re announced financial performance for the third quarter and nine months ended December 31, 2017 at a board meeting of company held in Mumbai today. Ms. Alice Vaidyan, CMD highlighted the strong growth and better profitability during Q3 in the context of bright prospects for the insurance sector.

- Growth in Gross Direct Premium Income of the company was 36.8% with premium of ₹33,274.35 crore in the nine months ended 31.12.2017 from ₹24,323.61 crore in the same period of previous year.
- Investment Income increased by 28.4% to ₹3,611.85 crore for the nine months ended 31.12.2017 as compared to ₹ 2,811.85 crore for the nine months ended 31.12.2016.
- Profit After Tax (PAT) for the nine months ended 31.12.2017 was INR ₹ 2,481.99 crore compared to ₹ 554.82 crore during same period of last year.
- Incurred Claims Ratio decreased from 87.4 % in the nine months ended 31.12.2016 to 84.7% in the nine months ended 31.12.2017.
- Combined Ratio is 101.1% for the nine months ended 31.12.2017 as compared to 105.9% for the nine months ended 31.12.2016.
- The company recorded an underwriting loss of ₹ 327.44 crore for the nine months ended 31.12.2017 as against an underwriting loss of ₹ 1,875.72 crore during the corresponding period last year.
- Net Worth of the company (without fair value change account) increased by 35% to ₹ 20,776.01 crore on 31.12.2017 from ₹ 15,384.78 crore on 31.12.2016. (Net Worth on 31.03.2017 stood at ₹ 17,946.63 crore).
- Growth in net worth (including fair value change account) was 31.4% at INR 54591.20 crore as against INR 41,554.20 crore.
- Return On Equity (ROE—Annualized), improved to 15.9% in the nine months ended 31.12.2017 compared to 4.8% in the previous year showing a growth of 331.3%.
- Solvency Ratio of 1.87 as on 31 December 2017, which is above the minimum required Solvency Ratio of 1.50.
- Investment Assets (including fair value) increased by 24.9 % from ₹ 86,236.08 crore as on 31.12.2016 to ₹ 107,671.95 crore as on 31.12.2017.

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General Insurance Corporation of India
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Summary of Revenue and Profit and Loss Account

(₹ crore)

SL No	Particulars	Three Months Ended			Nine Months Ended		Year Ended
		31 Dec, 2017	30 Sept, 2017	31 Dec, 2016	31 Dec, 2017	31 Dec, 2016	31 March, 2017
1	Gross Premium	8,869.98	7,209.61	8,205.53	33,274.35	24,323.61	33,585.44
2	Net Premium	7,477.13	5,865.89	7,635.60	30,354.44	22,274.90	30,174.56
3	Earned Premium	8,557.68	9,707.39	5,715.56	31,042.72	16,970.49	26,714.90
4	Incurred Claims	7,704.11	7,878.64	5,721.26	26,290.45	14,828.02	21,646.41
5	Incurred Claims Ratio (on earned premium)	90.0%	81.2%	100.1%	84.7 %	87.4 %	81.0%
6	Net Commission	1,095.32	1,075.54	1,413.07	4,823.57	3,948.17	5,404.40
7	Net Commission Percentage (on Net Premium)	14.6%	18.3%	18.5%	15.5 %	17.7 %	17.9%
8	Expenses of Management	51.35	49.47	54.71	153.72	188.71	239.73
9	Expenses of Management Ratio (on net premium)	0.7%	0.8%	0.7%	0.5%	0.8 %	0.8%
10	Profit/(Loss) on Exchange	(126.09)	46.47	71.46	(102.41)	118.70	(30.83)
11	Underwriting Profit/(Loss)	(419.19)	750.20	(1,402.02)	(327.44)	(1875.72)	(606.47)
12	Investment Income	1,195.59	1,253.85	883.94	3,611.85	2,811.85	4,584.35
13	Other Income less Outgoings	11.58	(86.35)	18.15	(187.36)	(273.00)	(354.02)
14	Profit Before Tax	787.98	1,917.70	(499.93)	3,097.05	663.13	3,623.86
15	Provision for Taxation	115.22	498.59	(98.94)	615.06	108.31	496.19
16	Profit After Tax	672.76	1,419.11	(400.99)	2,481.99	554.82	3,127.67
17	Combined Ratio %	-	-	-	101.1 %	105.9 %	99.7%

Financial Data

₹ crore

Particulars	Nine months ended 31.12.2017	Nine months ended 31.12.2016	Growth %	FY 2016-17	FY 2015-16
GDPI	33,274.35	24,323.61	36.8 %	33,585.44	18,435.81
Profit After Tax (PAT)	2,481.99	554.82	347.4%	3,127.67	2,848.39
Return on Equity (ROE)*	15.9%	4.8%		17.4%	19.2%
Combined ratio (%)	101.1 %	105.9 %		99.7 %	107.4 %
Solvency Ratio (times)	1.87	2.21		2.40	3.48

International and Domestic Business Composition

₹ crore

Gross Premium	Nine months ended 31.12.2017	Share (%)	Nine months ended 31.12.2016	Share (%)	Growth (%)	FY 2016-17
Domestic	25,047.10	75.3 %	16,793.94	69 %	49.1 %	23,440.34
International	8,227.25	24.7 %	7,529.67	31 %	9.3 %	10,145.10
Total	**33,274.35**	**100.0%**	**24,323.61**	**100.0%**	**36.8 %**	**33,585.44**

Breakup of Gross Premium

Gross Premium	Nine months ended 31.12.2017 ₹ crore	Nine months ended 31.12.2016 ₹ crore	Growth %
A) Fire	**6,978.57**	**5,809.94**	20.1 %
B) Miscellaneous - Total	**25,078.00**	**17,454.60**	43.9 %
Misc – Motor	*5,930.88*	*4,646.32*	*27.6 %*
Misc - Health	*4,042.32*	*3,152.11*	*28.2 %*
Misc - Agriculture	*12,120.78*	*7,019.43*	*72.7 %*
Misc - Other LOBs	*2,984.02*	*2,636.74*	*13.2 %*
C) Marine	**884.94**	**772.10**	14.6 %
Marine - Cargo	*299.65*	*318.04*	*(5.8) %*
Marine - Hull	*585.29*	*454.06*	*28.9 %*
D) Life	**332.84**	**286.97**	16.0 %
Total – A+B+C+D	**33,274.35**	**24,323.61**	**36.8 %**

- Fire class of business grew by 20.1% with a gross premium of ₹ 6,978.57 crore for the nine months ended 31.12.2017 as against ₹ 5,809.94 crore for the corresponding period in the previous year.
- Agriculture class of premium recorded a growth of 72.7% amounting to ₹ 12,120.78 crore for the nine months ended 31.12.2017 as compared to ₹ 7,019.43 crore in the nine months ended 31.12.2016.
- Health class of premium amounted to ₹ 4,042.32 crore in the nine months ended 31.12.2017 as against ₹ 3,152.11 crore in the nine months ended 31.12.2016, posting an increase of 28.2%.
- Motor business premium reflected growth of 27.6% with gross premium of ₹ 5,930.88 crore.
- Marine class of business showed growth of 14.6 % over the previous year with gross premium of ₹ 884.94 crore for the nine months ended 31.12.2017 as compared to ₹ 772.10 crore for the nine months ended 31.12.2016.
- Life business grew by 16% to ₹ 332.84 crore in the nine months ended 31.12.2017 from ₹ 286.97 crore in the nine months ended 31.12.2016.

Note:

Combined Ratio = (Net incurred claims/ Net earned premium) + (Management expenses + Commission on reinsurance)/ Net written premium

Net Commission = Commission paid on reinsurance accepted - Commission on reinsurance ceded.

About General Insurance Corporation of India (GIC Re)

GIC Re is the leader in the Indian reinsurance market. It is the largest reinsurer in the domestic reinsurance market in India, with gross written premiums of ₹ 1,34,177 crore and a market share of approximately 60% in fiscal 2016-17. It leads many of the domestic companies' treaty programmes and facultative placements. While foreign reinsurers have opened branch operations in India since early 2017, GIC Re is expected to maintain its market leadership and market share.

Internationally, GIC Re is an effective reinsurance partner for the Afro-Asian region, leading the reinsurance programmes of several insurance companies in Middle East and North Africa and SAARC countries. According to Standard and Poor's, in September 2017, GIC Re ranked 12th amongst the top 40 global reinsurers. It has offices in London, Dubai, Kuala Lumpur and a representative office in Moscow. In December 2017, GIC Re received approval to set up a syndicate at Lloyd's of London. This marks an inflexion point in its history. The move will help broaden and diversify its international portfolio.

The global economic environment is a key driver for insurance markets. Worldwide, insurance premiums are expected to grow at 4.5%. A major growth engine for this sector will be the emerging markets, with their economic recovery. These markets are projected to show relatively

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stable premium growth which averages out at 6.5% for 2017 and 2018. In contrast, premium development in industrialised countries is challenged by low interest rates and is expected to average out at 3% over 2018. By 2025, the market share of emerging markets in Asia will be at 21.4%, up from the present share of 18.7%.

The general insurance business in India continues to grow at a healthy rate. The insurance sector in India is projected to reach USD 350-400 billion by 2020. Penetration remains low at about 4%, and this is an area of great opportunity. Spurred by Government initiatives such as PMFBY, crop insurance is the third largest line of non-life insurance business after motor and health insurance.

The public listing initiative by Indian insurance companies has gained momentum. Listing will benefit them, since they will be able to build their brand, and this will improve penetration. Visibility in the market will improve their interaction with the public-at-large and attract investors.

GIC Re maintains a diversified risk portfolio that includes property, motor, agriculture, marine, engineering, aviation, health, liability. Reinsurance premiums are expected to touch ₹ 70,000 crore by 2022. Its dominance of the Indian market stems from continued obligatory cessions and order of preference; a long term relationship with the Indian market; and a zest for growth with a keen eye that misses no new opportunity. Its strength lies in its geographical and business diversification, prudent risk selection and effective modelling techniques. Its investment portfolio is also well diversified, with effective asset-liability management. Importantly, GIC Re has some of the best talent in the industry, with a low attrition rate.

GIC benchmarks its performance against the best-in-class global players. The company has registered significant growth in the nine months ended 31 December 2017. With the competitive advantage that it enjoys and with a growth momentum, it can be expected to emerge into top 10 global reinsurers.

Disclaimer: Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors. That could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. GIC Re will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances