

News Release**January 30, 2019****Performance Review: Quarter ended December 31, 2018**

- **Core operating profit (profit before provisions and tax, excluding treasury income) grew by 14% year-on-year to ₹ 5,667 crore (US\$ 812 million) in the quarter ended December 31, 2018 (Q3-2019)**
 - **Core operating profit excluding dividend income from subsidiaries grew by 18% year-on-year to ₹ 5,343 crore (US\$ 766 million) in Q3-2019**
 - **Net interest margin at 3.40% in Q3-2019**
 - **Fee income grew by 16% year-on-year in Q3-2019**
- **Net NPA ratio decreased from 3.65% at September 30, 2018 to 2.58% at December 31, 2018 - the lowest in the last 12 quarters**
 - **Gross NPA additions decreased from ₹ 3,117 crore (US\$ 447 million) in the quarter ended September 30, 2018 (Q2-2019) to ₹ 2,091 crore (US\$ 300 million) in Q3-2019 - the lowest in the last 14 quarters**
 - **Gross NPAs amounting to ₹ 4,063 crore (US\$ 582 million) recovered/upgraded/resolved through sale in Q3-2019**
 - **690 basis points (bps) sequential increase in provision coverage ratio (including technical/prudential write-offs) to 76.3% at December 31, 2018, further strengthening the balance sheet**
- **Domestic loan growth at 14% year-on-year at December 31, 2018 driven by retail**
 - **Retail loans grew by 22% year-on-year and constituted 59% of the loan portfolio at December 31, 2018**
- **15% year-on-year growth in current and savings account (CASA) deposits; period-end CASA ratio at 49.3% at December 31, 2018**
- **20% year-on-year growth in term deposits at December 31, 2018**

- **Total capital adequacy ratio of 17.15% and Tier-1 capital adequacy ratio of 15.14% on standalone basis at December 31, 2018**

The Board of Directors of ICICI Bank Limited (NYSE: IBN) at its meeting held at Mumbai today, approved the audited accounts of the Bank for the quarter ended December 31, 2018.

Profit & loss account

- Net interest income increased by 21% year-on-year from ₹ 5,705 crore (US\$ 818 million) in the quarter ended December 31, 2017 (Q3-2018) to ₹ 6,875 crore (US\$ 985 million) in Q3-2019.
- The net interest margin was 3.40% in Q3-2019 compared to 3.33% in Q2-2019.
- Non-interest income, excluding treasury income, was ₹ 3,404 crore (US\$ 488 million) in Q3-2019 compared to ₹ 3,101 crore (US\$ 444 million) in Q3-2018.
 - Fee income grew by 16% year-on-year from ₹ 2,639 crore (US\$ 378 million) in Q3-2018 to ₹ 3,062 crore (US\$ 439 million) in Q3-2019. Retail fee constituted 73% of total fees.
- The core operating profit (profit before provisions and tax, excluding treasury income) increased by 14% year-on-year from ₹ 4,992 crore (US\$ 715 million) in Q3-2018 to ₹ 5,667 crore (US\$ 812 million) in Q3-2019.
 - The core operating profit (profit before provisions and tax, excluding treasury income) excluding dividend income from subsidiaries grew by 18% year-on-year from ₹ 4,547 crore (US\$ 651 million) in Q3-2018 to ₹ 5,343 crore (US\$ 766 million) in Q3-2019.
- Treasury income was ₹ 479 crore (US\$ 69 million) in Q3-2019 compared to ₹ 66 crore (US\$ 9 million) in Q3-2018.
- Provisions were ₹ 4,244 crore (US\$ 608 million) in Q3-2019 compared to ₹ 3,570 crore (US\$ 512 million) in Q3-2018.
- The standalone profit after tax was ₹ 1,605 crore (US\$ 230 million) in Q3-2019 compared to ₹ 909 crore (US\$ 130 million) in Q2-2019 and ₹ 1,650 crore (US\$ 236 million) in Q3-2018.
- Consolidated profit after tax was ₹ 1,874 crore (US\$ 269 million) in Q3-2019 compared to ₹ 1,205 crore (US\$ 173 million) in Q2-2019 and ₹ 1,894 crore (US\$ 271 million) in Q3-2018.

Operating review

Credit growth

The year-on-year growth in domestic advances was 14% at December 31, 2018. The Bank has continued to leverage its strong retail franchise, resulting in a 22% year-on-year growth in the retail loan portfolio at December 31, 2018. Total advances increased by 12% year-on-year to ₹ 564,308 crore (US\$ 80.9 billion) at December 31, 2018 from ₹ 505,387 crore (US\$ 72.4 billion) at December 31, 2017.

Deposit growth

CASA deposits increased by 15% year-on-year to ₹ 299,374 crore (US\$ 42.9 billion) at December 31, 2018. The Bank's CASA ratio was 49.3% at December 31, 2018 compared to 50.8% at September 30, 2018 and 50.4% at December 31, 2017. The average CASA ratio was 46.0% in Q3-2019 compared to 47.1% in Q2-2019. Term deposits increased by 20% year-on-year to ₹ 307,381 crore (US\$ 44.1 billion) at December 31, 2018. Total deposits increased by 17% year-on-year to ₹ 606,755 crore (US\$ 87.0 billion) at December 31, 2018. The Bank had a network of 4,867 branches and 14,944 ATMs at December 31, 2018.

Capital adequacy

The Bank's total capital adequacy at December 31, 2018 as per Reserve Bank of India's guidelines on Basel III norms was 17.15% and Tier-1 capital adequacy was 15.14% compared to the regulatory requirements of 11.03% and 9.03% respectively.

Asset quality

The net NPA ratio decreased from 3.65% at September 30, 2018 to 2.58% at December 31, 2018. The provision coverage ratio on non-performing loans, including cumulative technical/prudential write-offs, increased by 690 bps sequentially to 76.3% at December 31, 2018, further strengthening the balance sheet. The gross additions to NPA were ₹ 2,091 crore (US\$ 300 million) in Q3-2019. Recoveries, upgrades and resolution of non-performing loans through sale were ₹ 4,063 crore (US\$ 582 million) in Q3-2019. The recoveries and upgrades in Q3-2019 included ₹ 720 crore (US\$ 103 million) on account of the impact of rupee appreciation on existing foreign currency NPAs.

Digital initiatives

During Q3-2019, the Bank launched 'Amazon Pay ICICI Bank Credit Card', a co-branded credit card in an exclusive seven year partnership with Amazon Pay, the online payment platform for Amazon.

The Bank has launched an instant digital credit facility, 'PayLater', to enable customers to buy small ticket items immediately in a digital and paperless manner. Customers can use this facility to shop online on e-commerce, entertainment, travel and accommodation booking websites among others. This facility leverages BHIM UPI 2.0 technology.

During Q3-2019, the Bank also revamped its 'Trade Online' platform, for export/import transactions by introducing new digital services. The platform now enables all our corporates as well as MSMEs to undertake almost all their export-import transactions online, eliminating the requirement of physical documentation and a branch visit. The list of services that can be initiated and executed digitally on Trade Online include issuance of letters of credit and bank guarantees, export/import collection bills, disbursement of export credit and payments against imports among others. The platform offers quick and convenient credit of inward remittance within minutes to the ICICI Bank current account of the recipient.

ICICI Bank celebrated 20 years of digital banking by adding an array of new services to its iMobile app. These services include an automated and robotics based investment advisory tool for customers, fund transfer service using voice commands, and enhanced security for credit and debit cardholders.

In Q3-2019, the value of debit card transactions and credit card transactions increased by 21% y-o-y and 29% y-o-y respectively. Over 23 million UPI Virtual Payment Addresses have been created using the Bank's and partners' platforms till December 31, 2018. Digital channels like internet, mobile banking, POS and others accounted for over 85% of the savings account transactions in 9M-2019.

Consolidated results

The Board has reviewed and approved the unaudited consolidated results of the Bank for the nine months ended December 31, 2018. The statutory auditors of the Bank have undertaken a limited review of the same.

Consolidated profit after tax was ₹ 1,874 crore (US\$ 269 million) in Q3-2019 compared to ₹ 1,205 crore (US\$ 173 million) in Q2-2019 and ₹ 1,894 crore (US\$ 271 million) in Q3-2018.

Consolidated assets grew by 12% from ₹ 1,053,677 crore (US\$ 151.0 billion) at December 31, 2017 to ₹ 1,177,498 crore (US\$ 168.8 billion) at December 31, 2018.

Subsidiaries

ICICI Prudential Life Insurance Company (ICICI Life) announced results for Q3-2019 on January 22, 2019. Total premium increased by 10% year-on-year to ₹ 7,566 crore (US\$ 1.1 billion) in Q3-2019. The Value of New Business grew by 19% year-on-year to ₹ 910 crore (US\$ 130 million) in 9M-2019. The new business margin was 17% in 9M-2019. ICICI Life's profit after tax was ₹ 297 crore (US\$ 43 million) for Q3-2019 compared to ₹ 452 crore (US\$ 65 million) for Q3-2018.

ICICI Lombard General Insurance Company (ICICI General) announced results for Q3-2019 on January 18, 2019. The gross written premium of ICICI General grew by 26% from ₹ 3,002 crore (US\$ 430 million) in Q3-2018 to ₹ 3,769 crore (US\$ 540 million) in Q3-2019. The company's combined ratio was 96.0% in Q3-2019 compared to 95.9% in Q3-2018. ICICI General's profit after tax was ₹ 239 crore (US\$ 34 million) in Q3-2019 compared to ₹ 232 crore (US\$ 33 million) in Q3-2018.

ICICI Securities announced results for Q3-2019 on January 14, 2019. As per Ind AS, the profit after tax of ICICI Securities, on a consolidated basis, was ₹ 101 crore (US\$ 14 million) in Q3-2019 compared to ₹ 154 crore (US\$ 22 million) in Q3-2018. The return on equity was 55% in 9M-2019.

The profit after tax of ICICI Prudential Asset Management Company (ICICI AMC) increased by 19% from ₹ 161 crore (US\$ 23 million) in Q3-2018 to ₹ 193 crore (US\$ 28 million) in Q3-2019.

Summary Profit and Loss Statement (as per unconsolidated Indian GAAP accounts)

₹ crore

	FY2018	Q3-2018	9M-2018	Q2-2019	Q3-2019	9M-2019
Net interest income	23,026	5,705	17,004	6,418	6,875	19,395
Non-interest income	11,618	3,101	8,624	3,191	3,404	9,681
- Fee income	10,341	2,639	7,586	2,995	3,062	8,811
- Dividend income from subsidiaries	1,214	445	991	167	324	809
- Other income	62	17	47	29	18	61
Less:						
Operating expense	15,704	3,814	11,518	4,324	4,612	13,081
Core operating profit²	18,940	4,992	14,110	5,285	5,667	15,995
- Treasury income ¹	5,802	66	3,117	(35)	479	1,210
Operating profit	24,742	5,058	17,227	5,250	6,146	17,205
Less:						
Provisions	17,307	3,570	10,681	3,994	4,244	14,210
Profit before tax	7,435	1,488	6,546	1,256	1,902	2,995
Less: Tax	658	(162)	789	347	297	601
Profit after tax	6,777	1,650	5,757	909	1,605	2,394

1. Includes profit on sale of shareholding in subsidiaries of ₹ 2,012 crore in 9M-2018, ₹ 1,110 crore in 9M-2019 and ₹ 5,332 crore in FY2018.

2. Excluding treasury income

3. Prior period figures have been re-grouped/re-arranged where necessary

Summary Balance Sheet

₹ crore

	31-Dec-17	31-Mar-18	30-Sep-18	31-Dec-18
	(Audited)	(Audited)	(Audited)	(Audited)
Capital and Liabilities				
Capital	1,285	1,286	1,287	1,288
Employee stock options outstanding	6	6	5	5
Reserves and surplus	103,210	103,868	104,081	105,874
Deposits	517,403	560,975	558,669	606,755
Borrowings (includes subordinated debt) ¹	158,176	182,859	174,686	164,293
Other liabilities	33,470	30,195	35,612	34,149
Total Capital and Liabilities	813,549	879,189	874,340	912,364
Assets				
Cash and balances with Reserve Bank of India	32,484	33,102	33,122	34,365
Balances with banks and money at call and short notice	23,380	51,067	24,490	32,094
Investments	179,807	202,994	187,500	197,730
Advances	505,387	512,395	544,487	564,308
Fixed assets	7,923	7,904	7,842	7,818
Other assets	64,568	71,727	76,899	76,049
Total Assets	813,549	879,189	874,340	912,364

1. Borrowings at December 31, 2017 and March 31, 2018 include preference share capital of ₹ 350 crore, which were redeemed on April 20, 2018

2. Prior period figures have been re-grouped/re-arranged where necessary.

Certain statements in this release relating to a future period of time (including inter alia concerning our future business plans or growth prospects) are forward-looking statements intended to qualify for the 'safe harbor' under applicable securities laws including the US Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. These risks and uncertainties include, but are not limited to statutory and regulatory changes, international economic and business conditions; political or economic instability in the jurisdictions where we have operations, increase in non-performing loans, unanticipated changes in interest rates, foreign exchange rates, equity prices or other rates or prices, our growth and expansion in business, the adequacy of our allowance for credit losses, the actual growth in demand for banking products and services, investment income, cash flow projections, our exposure to market risks, changes in India's sovereign rating, as well as other risks detailed in the reports filed by us with the United States Securities and Exchange Commission. Any forward-looking statements contained herein are based on assumptions that we believe to be reasonable as of the date of this release. ICICI Bank undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof. Additional risks that could affect our future operating results are more fully described in our filings with the United States Securities and Exchange Commission. These filings are available at www.sec.gov.

This release does not constitute an offer of securities.

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1 crore = 10.0 million

US\$ amounts represent convenience translations at US\$1= ₹ 69.78