



Performance Review: Q2-2014

October 25, 2013

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Certain statements in these slides are forward-looking statements. These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from those included in these statements due to a variety of factors. More information about these factors is contained in ICICI Bank's filings with the US Securities and Exchange Commission.

All financial and other information in these slides, other than financial and other information for specific subsidiaries where specifically mentioned, is on an unconsolidated basis for ICICI Bank Limited only unless specifically stated to be on a consolidated basis for ICICI Bank Limited and its subsidiaries. Please also refer to the statement of unconsolidated, consolidated and segmental results required by Indian regulations that has, along with these slides, been filed with the stock exchanges in India where ICICI Bank's equity shares are listed and with the New York Stock Exchange and the US Securities and Exchange Commission, and is available on our website www.icicibank.com



Q2-2014: Performance highlights

Profitability

- 20.2% increase in standalone profit after tax from ₹ 19.56 bn in Q2-2013 (July-September 2012) to ₹ 23.52 bn in Q2-2014 (July-September 2013)
 - Net interest income increased by 20.0% year-on-year; net interest margin improved from 3.00% in Q2-2013 to 3.31% in Q2-2014
 - Fee income increased by 16.7% year-on-year
 - Treasury loss of ₹ 0.79 bn in Q2-2014 after full recognition of mark-to-market provisions of ₹ 2.79 bn on the investment portfolio
- 12.9% increase in consolidated profit after tax from ₹ 23.90 bn in Q2-2013 to ₹ 26.98 bn in Q2-2014



Q2-2014: Performance highlights

Balance sheet

- Advances increased by 15.5% year-on-year to ₹ 3,177.86 billion at September 30, 2013
 - Retail advances growth at 19.6% year-on-year; 27.8% in organic retail portfolio (excluding buyouts) at September 30, 2013
 - Domestic corporate loan growth at 11.0%
- Period end CASA ratio at 43.3% at September 30, 2013 compared to 43.2% at June 30, 2013
 - Average CASA ratio at 40.3% for Q2-2014 compared to 39.0% for Q1-2014
- Net NPA ratio of 0.73% at September 30, 2013 (June 30, 2013: 0.69%; September 30, 2012: 0.66%)



Profit & loss statement

(₹ billion)

	FY 2013	Q2- 2013	H1- 2013	Q1- 2014	Q2- 2014	H1- 2014	Q2-o-Q2 growth
NII	138.66	33.71	65.64	38.20	40.44	78.64	20.0%
Non-interest income	83.46	20.43	39.23	24.84	21.66	46.51	6.0%
- Fee income	69.01	17.09	33.56	17.93	19.94	37.87	16.7%
- Other income	9.50	1.62	4.16	2.88	2.51	5.40	54.9%
- Treasury income	4.95	1.72	1.51	4.03	(0.79) ²	3.24 ²	-
Total income	222.12	54.14	104.87	63.04	62.10	125.15	14.7%
Operating expenses ¹	90.13	22.21	43.44	24.90	23.22	48.13	4.5%
Operating profit	131.99	31.93	61.43	38.14	38.88	77.02	21.8%

1. Includes commissions paid to direct marketing agents (DMAs) for origination of retail loans and lease depreciation
2. The Bank has fully recognized the mark-to-market provisions of ₹ 2.79 billion on its investment portfolio, and has not availed the option permitted by RBI of recognising the same over three quarters. During Q2-2014, the Bank transferred SLR securities with face value of ₹ 23.11 billion from AFS and HFT category to HTM category and has recognised a loss of ₹ 0.10 billion resulting from the said transfer on account of the movement of yields till July 15, 2013.



Profit & loss statement

(₹ billion)

	FY 2013	Q2- 2013	H1- 2013	Q1- 2014	Q2- 2014	H1- 2014	Q2-o-Q2 growth
Operating profit	131.99	31.93	61.43	38.14	38.88	77.02	21.8%
Provisions	18.03	5.08	9.74	5.93	6.25	12.18	23.0%
Profit before tax	113.96	26.85	51.69	32.21	32.63	64.84	21.5%
Tax	30.71	7.29	13.98	9.47	9.11	18.58	24.9%
Profit after tax	83.25	19.56	37.71	22.74	23.52	46.26	20.2%



Balance sheet: Assets

(₹ billion)

	September 30, 2012	June 30, 2013	September 30, 2013	Y-o-Y growth
Cash & bank balances	424.22	326.87	335.81	-20.8%
Investments	1,579.14	1,746.25	1,688.29	6.9%
- <i>SLR investments</i>	859.05	994.21	986.20	14.8%
- <i>Equity investment in subsidiaries</i>	124.53	120.23	120.23	-3.5%
- <i>RIDF¹ and related</i>	187.24	198.31	229.40	22.5%
Advances ²	2,750.76	3,013.70	3,177.86	15.5%
Fixed & other assets	357.82	398.77	433.12	21.0%
Total assets²	5,111.94	5,485.59	5,635.08	10.2%

- Net investment in security receipts of asset reconstruction companies was ₹ 10.91 bn at September 30, 2013 (June 30, 2013: ₹ 10.57 bn)
- Net credit derivative portfolio wound down: outstanding of US\$ 2 mn at September 30, 2013 compared to US\$ 31 mn at June 30, 2013 and US\$ 119 mn at September 30, 2012

1. Rural Infrastructure Development Fund
2. Including impact of exchange rate movement



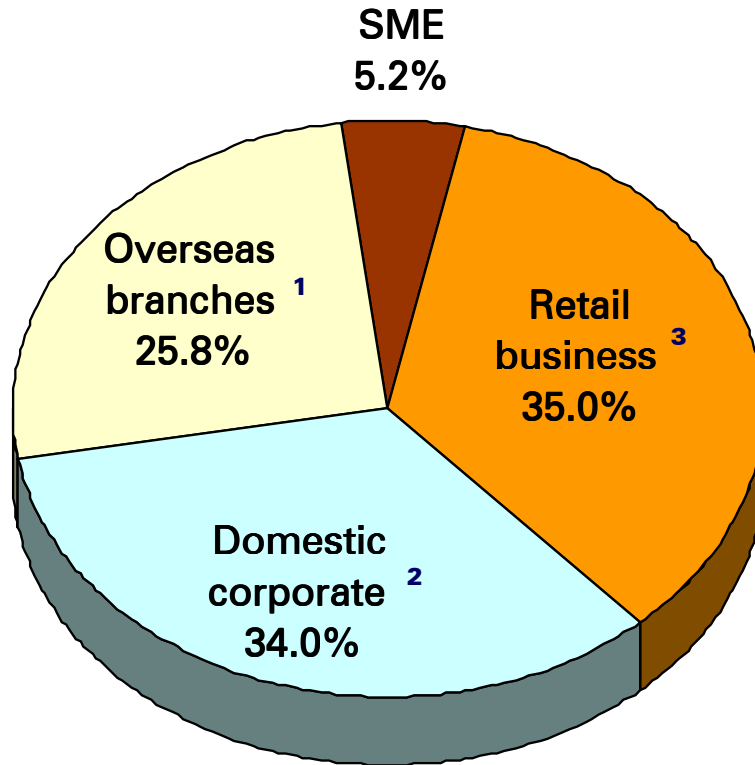
Loan book classification: reporting from March 2013

Nature of loan	Earlier reported in	Now reported in
Builder finance	Retail - home	Domestic corporate
Loans to small businesses	SME	Retail - business banking
Dealer funding	Retail - other secured	Retail - business banking
Rural retail i.e. portfolios like jewel loans, farm equipment loans etc.	Rural	Retail - others
Loans to SMEs related to agriculture	Rural	SME
Loans to corporates related to agriculture	Rural	Domestic corporate



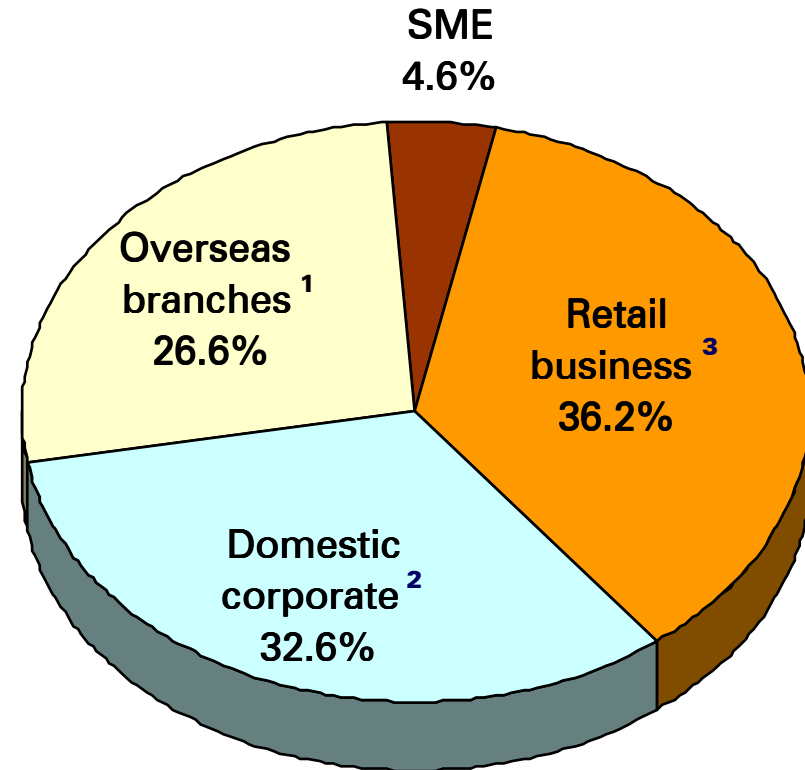
Composition of loan book (y-o-y)

September 30, 2012



Total loan book: ₹ 2,751 bn

September 30, 2013



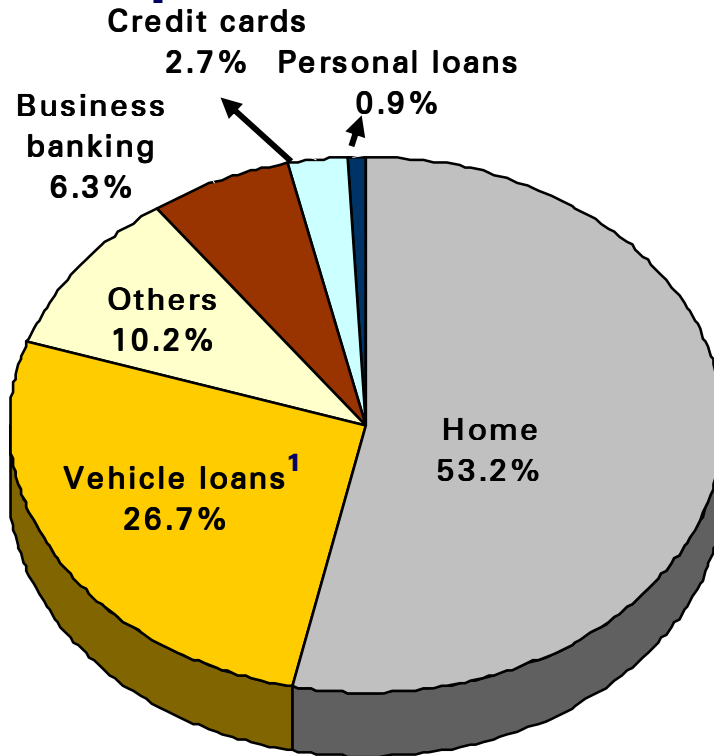
Total loan book: ₹ 3,178 bn

1. Including impact of exchange rate movement
2. Domestic corporate loans include builder finance
3. Including buyouts & inter-bank participation certificates

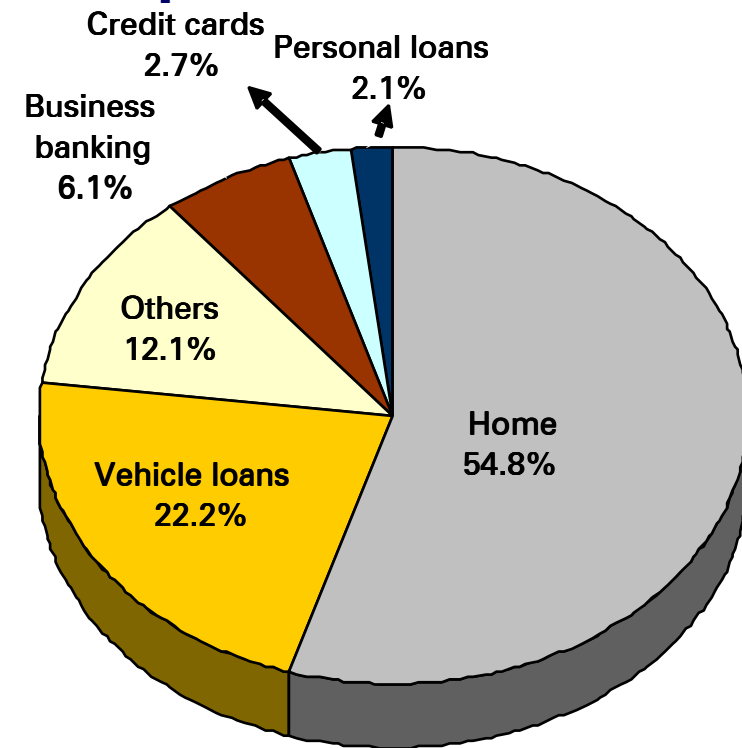


Composition of retail loan book (y-o-y)

September 30, 2012



September 30, 2013



Total retail loan book: ₹ 963 bn

Total retail loan book: ₹ 1,151 bn

Total retail advances growth of 19.6%

Retail loan growth (excluding buyouts) of 27.8%

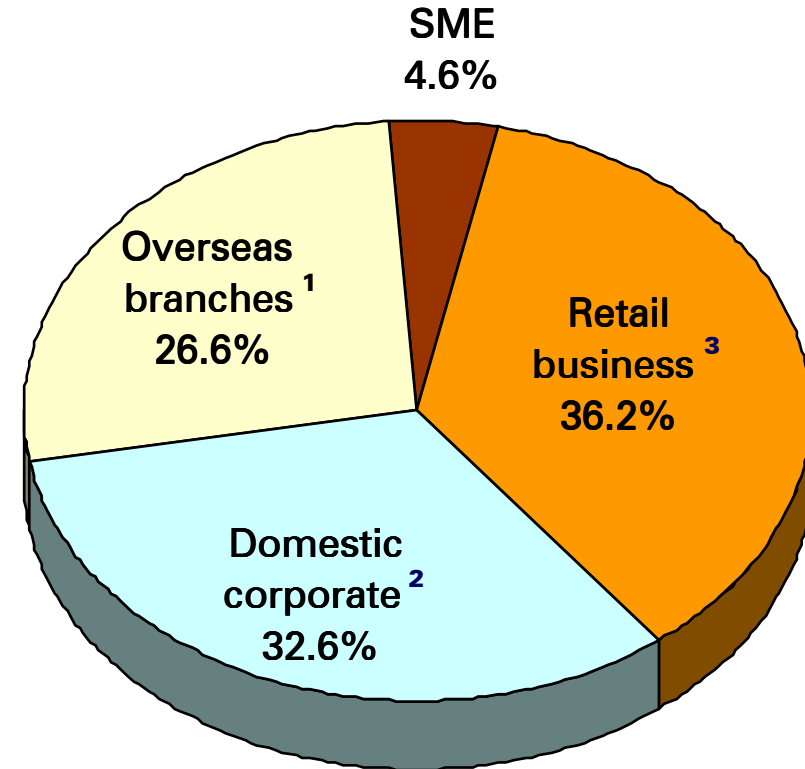
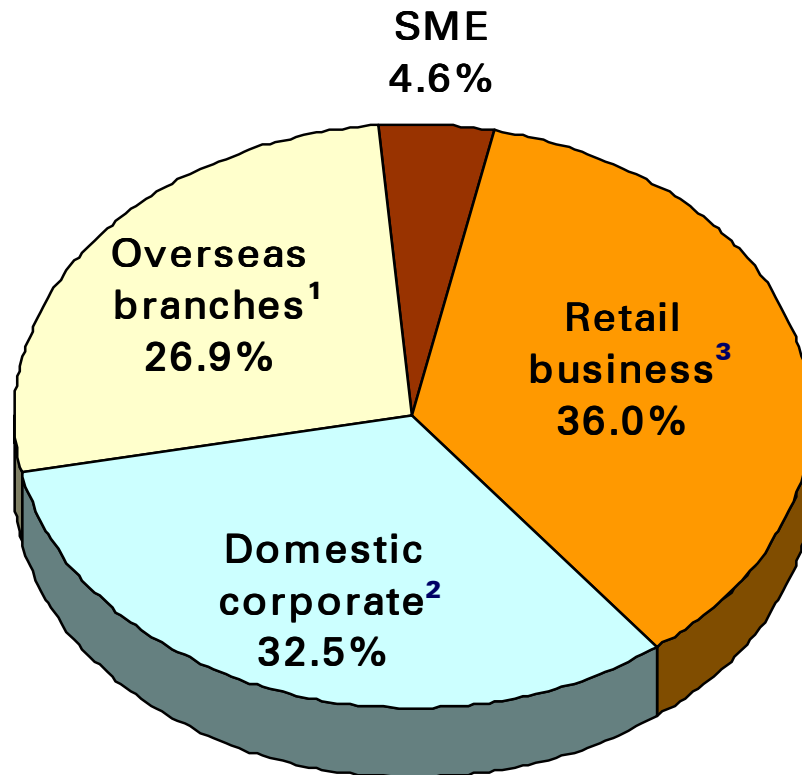
1. September 30, 2012 : Vehicle loans includes auto loans 10.0%, commercial business 16.7%
2. September 30, 2013: Vehicle loans includes auto loans 10.5%, commercial business 11.7%



Composition of loan book (q-o-q)

June 30, 2013

September 30, 2013



Total loan book: ₹ 3,014 bn

Total loan book: ₹ 3,178 bn

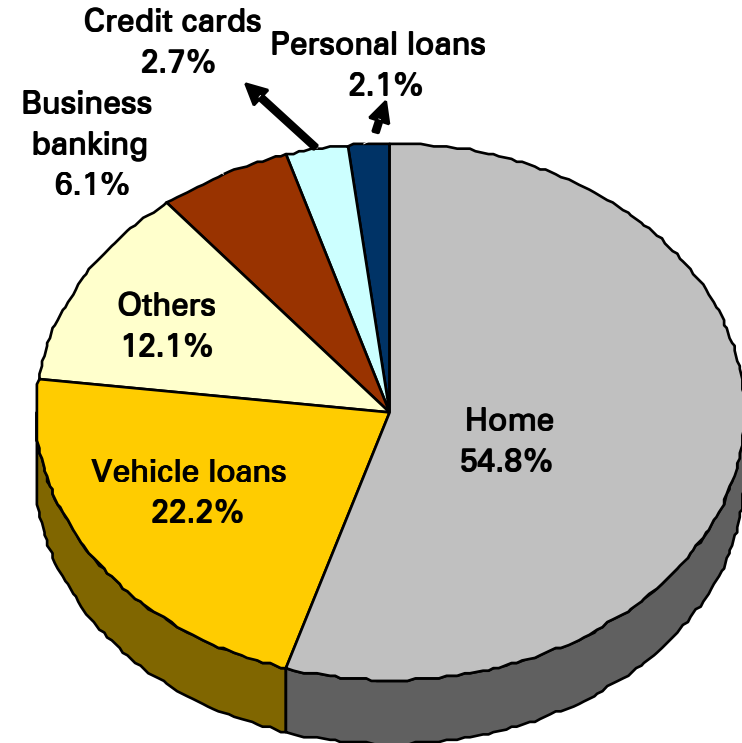
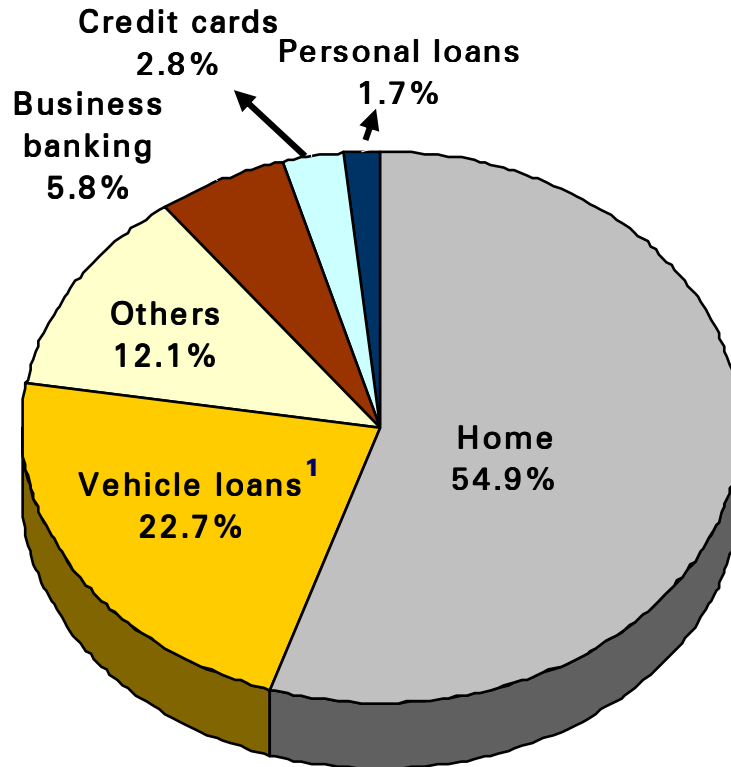
1. Including impact of exchange rate movement
2. Domestic corporate loans include builder finance
3. Including buyouts & inter-bank participation certificates



Composition of retail loan book (q-o-q)

June 30, 2013

September 30, 2013



Total retail loan book: ₹ 1,085 bn Total retail loan book: ₹ 1,151 bn

1. June 30, 2013: Vehicle loans includes auto loans 10.2%, commercial business 12.5%
2. September 30, 2013: Vehicle loans includes auto loans 10.5%, commercial business 11.7%



Equity investment in subsidiaries

(₹ billion)

	September 30, 2012	June 30, 2013	September 30, 2013
ICICI Prudential Life Insurance	35.93	35.93	35.93
ICICI Bank Canada	33.50	30.51	30.51
ICICI Bank UK	23.25	21.20	21.20
ICICI Lombard General Insurance	13.48	14.22	14.22
ICICI Home Finance	11.12	11.12	11.12
ICICI Bank Eurasia LLC	3.00	3.00	3.00
ICICI Securities Limited	1.87	1.87	1.87
ICICI Securities Primary Dealership	1.58	1.58	1.58
ICICI AMC	0.61	0.61	0.61
ICICI Venture Funds Mgmt	0.05	0.05	0.05
Others	0.14	0.14	0.14
Total	124.53	120.23	120.23



Balance sheet: Liabilities

(₹ billion)

	September 30, 2012	June 30, 2013	September 30, 2013	Y-o-Y growth
Net worth	644.62	700.79	731.03	13.4%
- Equity capital	11.53	11.54	11.54	0.1%
- Reserves	633.09	689.25	719.49	13.6%
Deposits	2,814.38	2,911.85	3,090.46	9.8%
- Savings	806.18	888.53	935.35	16.0%
- Current	338.00	369.81	403.73	19.4%
Borrowings ^{1,2}	1,353.90	1,559.20	1,453.56	7.4%
Other liabilities ³	299.04	313.75	360.03	20.4%
Total liabilities²	5,111.94	5,485.59	5,635.08	10.2%

1. Borrowings include preference shares amounting to ₹ 3.50 bn

2. Including impact of exchange rate movement

- Credit/deposit ratio of 80.2% on the domestic balance sheet at September 30, 2013



Composition of borrowings

(₹ billion)

	September 30, 2012	June 30, 2013	September 30, 2013
Domestic	622.80	837.82	697.12
- Capital instruments ¹	348.38	384.74	387.71
- Other borrowings	274.42 ²	453.08	309.42
Overseas ²	731.10	721.38	756.44
- Capital instruments	17.92	20.15	21.24
- Other borrowings	713.18	701.23	735.20
Total borrowings²	1,353.90	1,559.20	1,453.56

1. Includes preference share capital ₹ 3.50 bn
2. Including impact of exchange rate movement

- Capital instruments constitute 55.6% of domestic borrowings



Capital adequacy

Standalone Basel III	June 30, 2013		September 30, 2013	
	₹ bn	%	₹ bn	%
Total Capital ¹	819.99	17.04%	820.38	16.50%
- Tier I	564.19	11.72%	563.24	11.33%
- Tier II	255.80	5.32%	257.14	5.17%
Risk weighted assets	4,811.31		4,971.00	
-On balance sheet	3,584.60		3,798.66	
-Off balance sheet	1,226.71		1,172.34	

1. In line with applicable guidelines, the Basel III capital ratios reported by the Bank for the interim periods do not include the profits for the period

- Including the profits for H1-2014, the capital adequacy ratio for the Bank as per Basel III norms would have been 17.21% and the Tier I ratio would have been 12.04%
- On a consolidated basis, excluding profits, the total capital adequacy ratio as per Basel III norms is 17.15%; Tier-1 capital adequacy is 11.51%



Asset quality and provisioning

(₹ billion)

	September 30, 2012	June 30, 2013	September 30, 2013
Gross NPAs	100.51	100.57	100.78
Less: Cumulative provisions	79.13	75.85	73.71
Net NPAs	21.38	24.72	27.07
Net NPA ratio	0.66%	0.69%	0.73%

- Gross retail NPLs at ₹ 49.08 bn and net retail NPLs at ₹ 7.62 bn at September 30, 2013 as compared to ₹ 70.30 bn and ₹ 9.38 bn respectively at September 30, 2012¹
- Provisioning coverage ratio of 73.1% at September 30, 2013 computed in accordance with RBI guidelines
- Net loans to companies whose facilities have been restructured at ₹ 68.26 bn at September 30, 2013 compared to ₹ 59.15 bn at June 30, 2013 and ₹ 44.53 bn at September 30, 2012
- Outstanding general provision on standard assets: ₹ 17.55 bn at September 30, 2013

1. Based on revised definition of retail loans



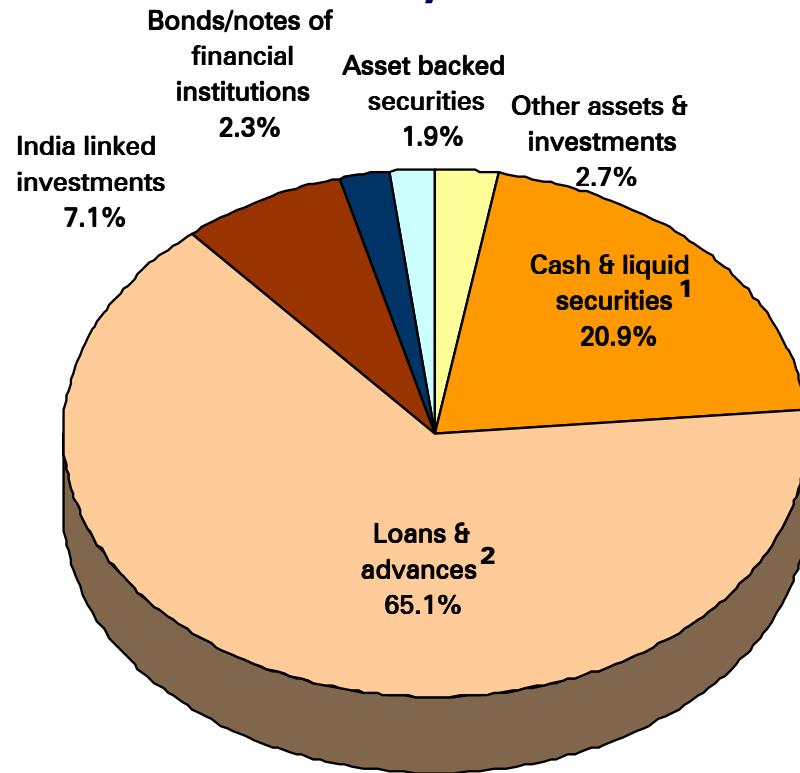


Overseas subsidiaries



ICICI Bank UK asset profile

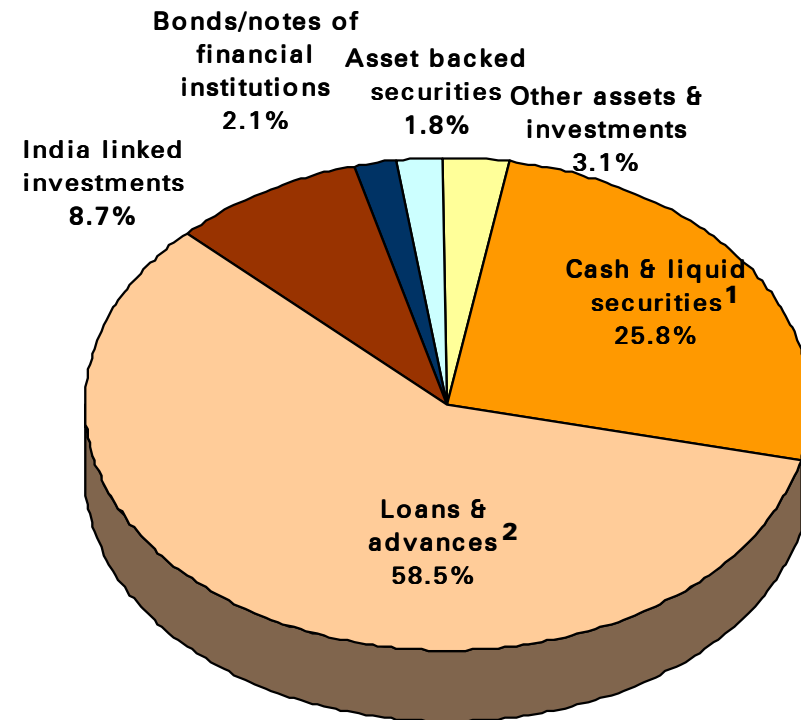
June 30, 2013



Total assets: USD 3.8 bn

1. Includes cash & advances to banks, T Bills
2. Includes securities re-classified to loans & advances

September 30, 2013

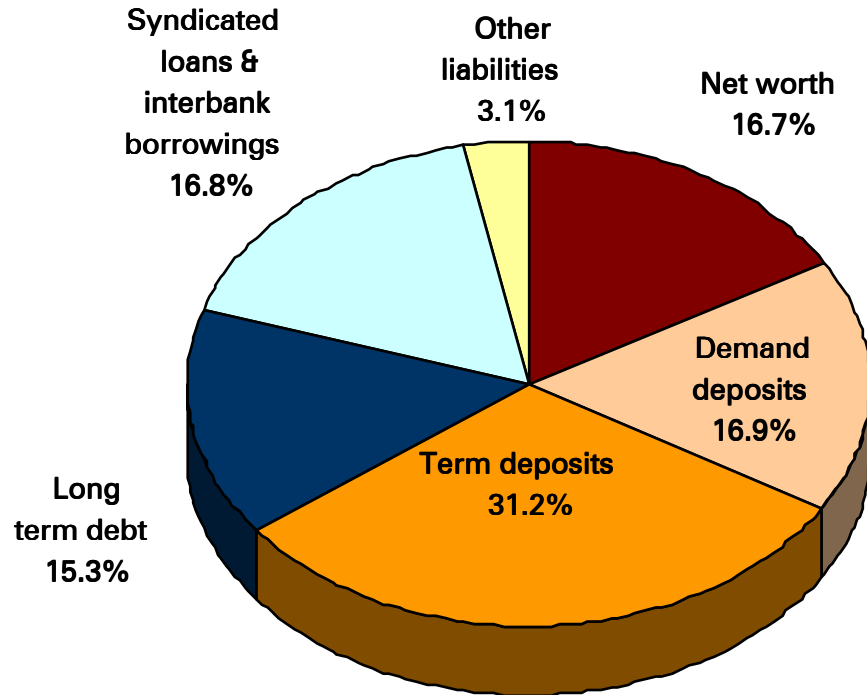


Total assets: USD 4.2 bn



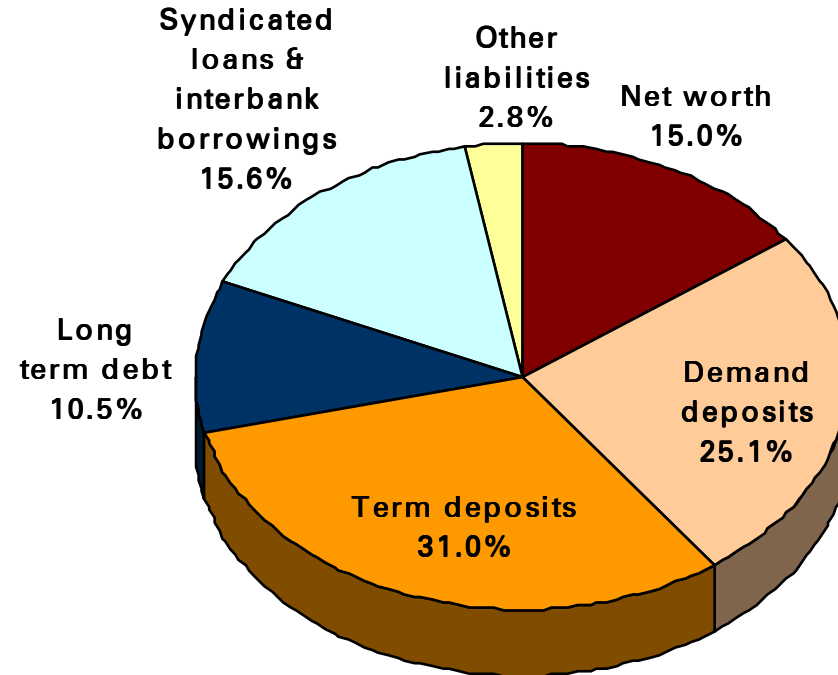
ICICI Bank UK liability profile

June 30, 2013



Total liabilities: USD 3.8 bn

September 30, 2013



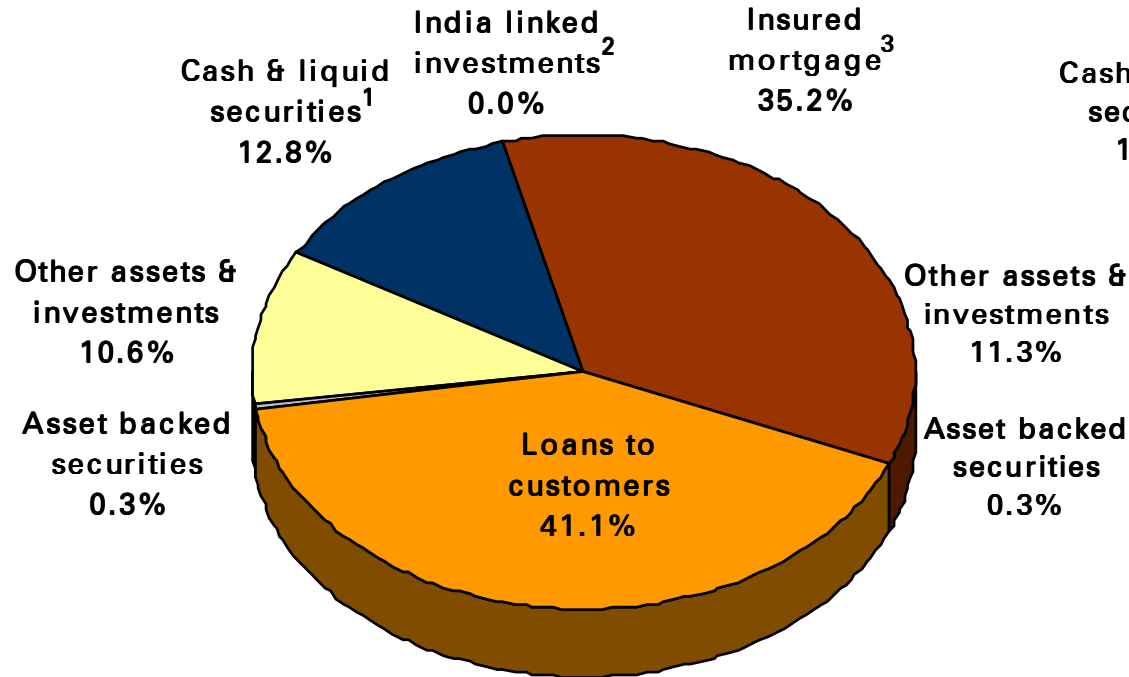
Total liabilities: USD 4.2 bn

- Profit after tax of US\$ 6.1 mn in Q2-2014 compared to US\$ 4.3 mn in Q2-2013
- Capital adequacy ratio at 26.1%



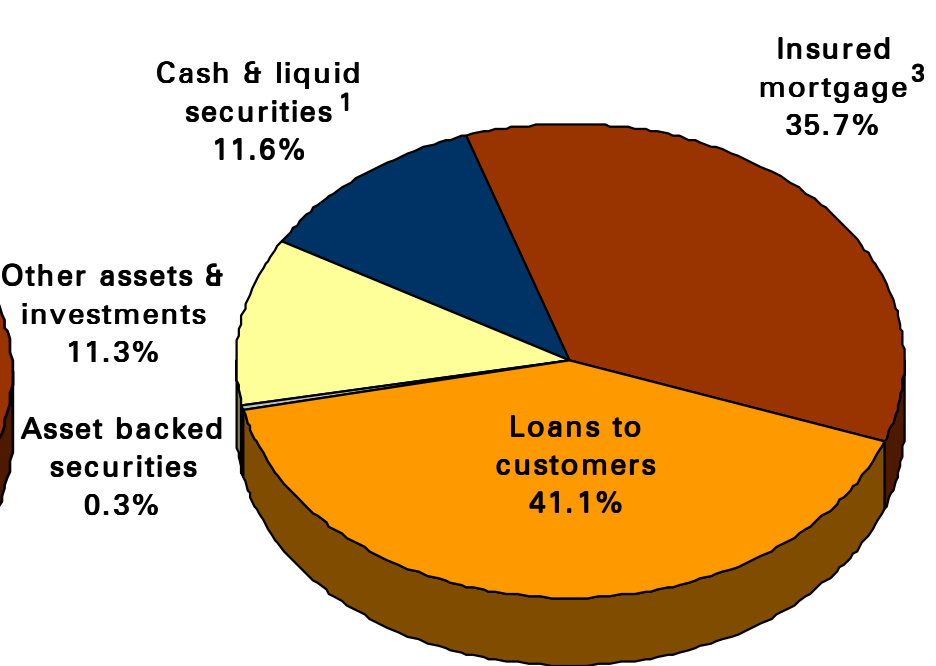
ICICI Bank Canada asset profile

June 30, 2013



Total assets: CAD 5.2 bn

September 30, 2013



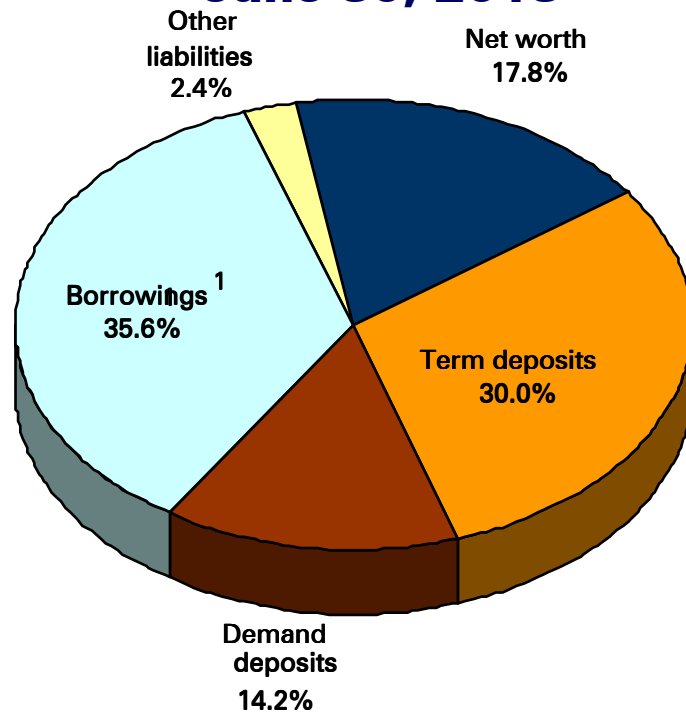
Total assets: CAD 5.3 bn

1. Includes cash & advances to banks and government securities
2. India-linked investments of nil at September 30, 2013 compared to CAD 1 mn at June 30, 2013
3. Based on IFRS, securitised portfolio of CAD 1,781 mn and CAD 1,815 mn considered as part of Insured mortgage portfolio at June 30, 2013 and September 30, 2013 respectively



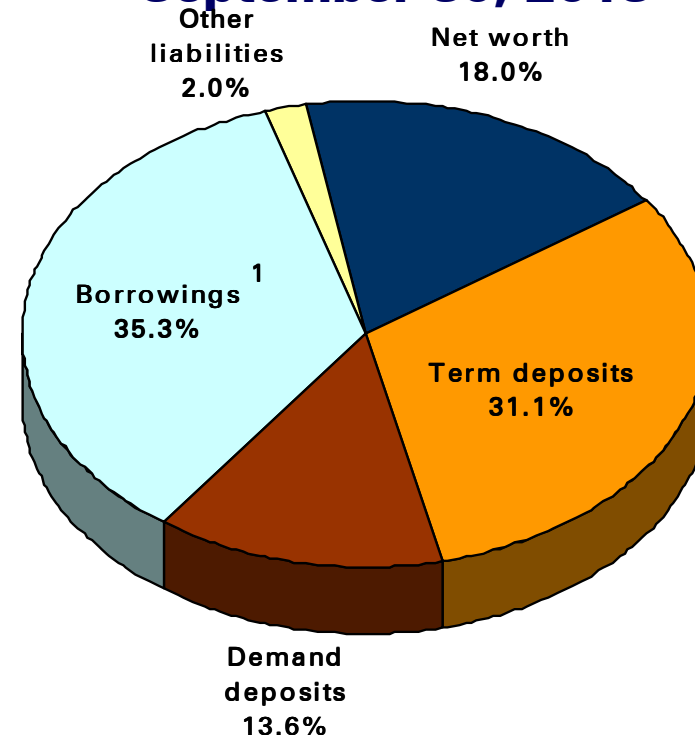
ICICI Bank Canada liability profile

June 30, 2013



Total liabilities: CAD 5.2 bn

September 30, 2013



Total liabilities: CAD 5.3 bn

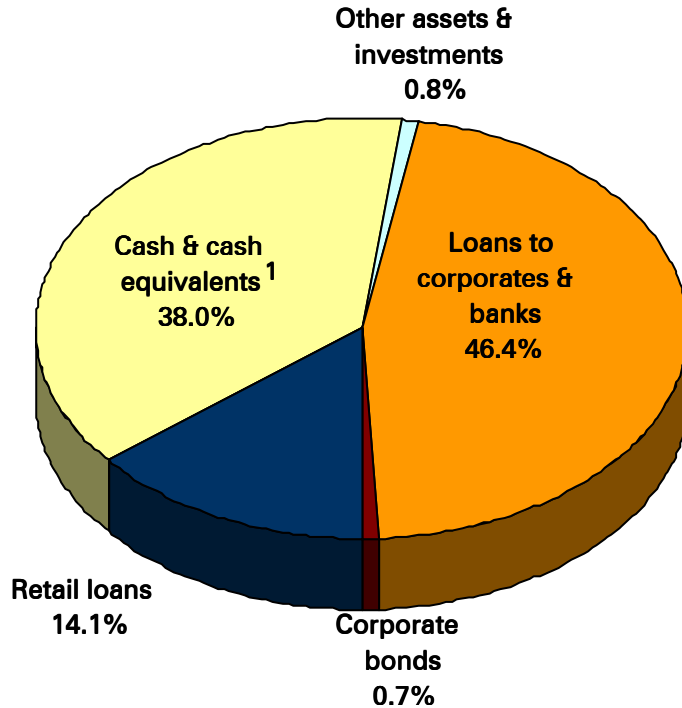
- Profit after tax of CAD 12.9 mn in Q2-2014 compared to CAD 12.2 mn in Q2-2013
- Capital adequacy ratio at 31.2%

1. As per IFRS, proceeds of CAD 1,811 mn and CAD 1,809 mn from sale of securitised portfolio considered as part of borrowings at June 30, 2013 and September 30, 2013 respectively



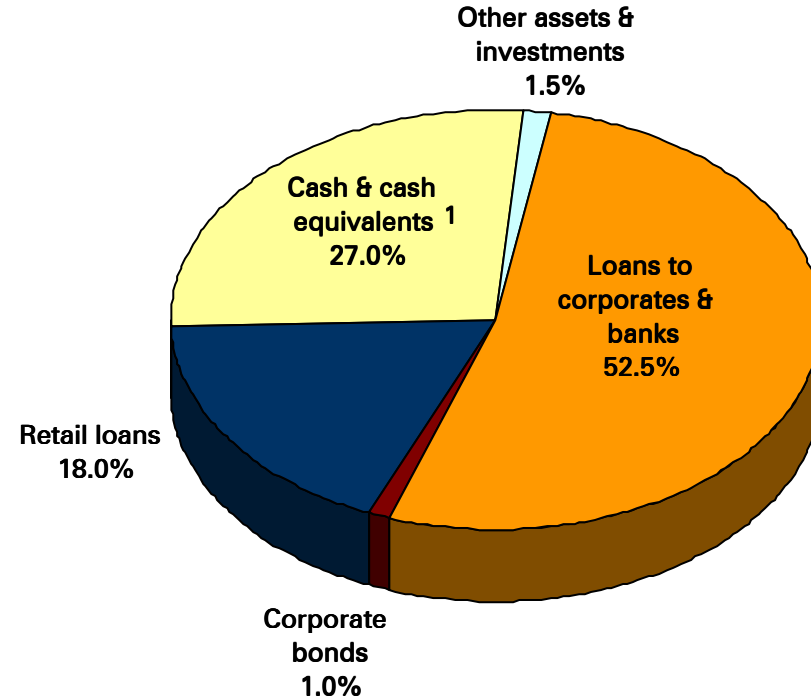
ICICI Bank Eurasia asset profile

June 30, 2013



Total assets: USD 244 mn

September 30, 2013



Total assets: USD 182 mn

- Total borrowings of USD 89 mn at September 30, 2013
- Capital adequacy of 32.9% at September 30, 2013
- Net profit of USD 1.1 mn in Q2-2014 compared to USD 2.0 mn in Q2-2013

1. Includes cash & call placements with banks, balances with central bank, government securities and nostro balances





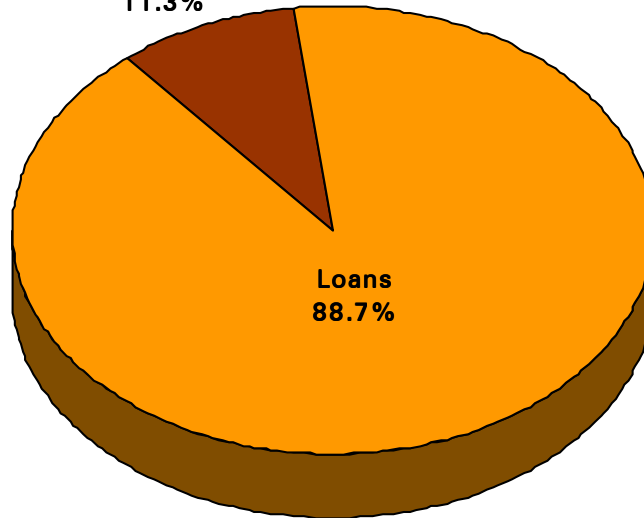
Domestic subsidiaries



ICICI Home Finance

June 30, 2013

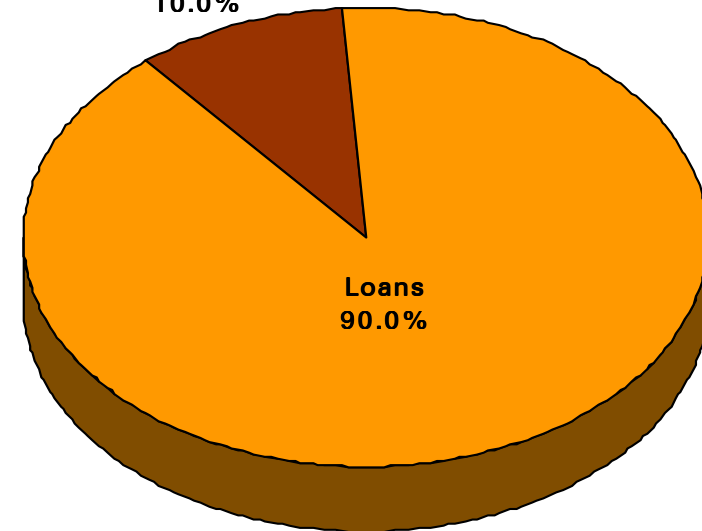
Investments and other
assets
11.3%



Total assets: ₹ 70.85 bn

September 30, 2013

Investments and other
assets
10.0%



Total assets: ₹ 69.68 bn

- Profit after tax of ₹ 603.7 mn in Q2-2014 compared to ₹ 534.4 mn in Q2-2013
- Capital adequacy ratio of 33.5% at September 30, 2013
- Net NPA ratio: 0.9%
- At September 30, 2013: Networth ₹ 14.99 bn; Deposits ₹ 3.29 bn and Borrowings & other liabilities ₹ 51.40 bn



ICICI Life

(₹ billion)

	Q2-2013	Q2-2014	FY2013
New business received premium	13.09	10.61	48.08
Renewal premium	21.89	19.65	87.30
Total premium	34.98	30.26	135.38
Annualised premium equivalent (APE)	7.81	9.54	35.32
New Business Profit (NBP)	1.17	1.34	5.29
NBP margin	15.0%	14.1%	15.0%
Statutory profit	3.96	3.87	14.96
Assets Under Management	735.21	739.76	741.64
Expense ratio ¹	18.6%	20.7%	19.2%

1. Expense ratio: All expenses (including commission and excluding unit costs) / (Total premium – 90% of Single Premium)



ICICI General

(₹ billion)

	Q2-2013	Q2-2014	FY2013
Gross premium ¹	15.17	17.01	64.20
PAT	1.01	1.56	3.06 ²

- Market share based on gross written premium was 9.5%³ for April-August 2013

1. Excluding remittances from third party motor pool (the Pool) and including premium on reinsurance accepted
2. Includes impact of third party motor pool losses on account of actuarial valuation of the liability for the period FY2007 to FY2012
3. Source: IRDA



Other subsidiaries

(₹ billion)

Profit after tax	Q2-2013	Q2-2014	FY2013
ICICI Securities (Consolidated)	0.08	0.18	0.64
ICICI Securities Primary Dealership	0.27	(0.76)	1.22
ICICI Venture	0.06	0.05	0.20
ICICI Prudential Asset Management	0.23	0.44	1.10

- 21.9% increase in consolidated profit after tax from ₹ 44.67 bn in H1-2013 to ₹ 54.45 bn in H1-2014
 - 12.9% increase in consolidated profit after tax from ₹ 23.90 bn in Q2-2013 to ₹ 26.98 bn in Q2-2014
- Consolidated return on average net worth for H1-2014 at 15.1% compared to 14.1% for H1-2013 (14.7% for FY2013)
 - Consolidated return on average net worth (annualised) for Q2-2014 at 14.6% compared to 14.8% for Q2-2013





Key ratios



Key ratios (consolidated)

(Percent)

	FY 2013	Q2- 2013	H1- 2013	Q1- 2014	Q2- 2014	H1- 2014
Return on average networth ^{1,2} (consolidated)	14.7	14.8	14.1	15.6	14.6	15.1
Weighted avg EPS (₹) ²	83.3	82.9	77.5	95.5	92.7	94.1
Book value (₹)	607	571	571	628	657	657

1. Based on quarterly average networth
2. Annualised for all interim periods



Key ratios (standalone)

(Percent)

	FY 2013	Q2- 2013	H1- 2013	Q1- 2014	Q2- 2014	H1- 2014
Return on average networth ¹	12.9	12.2	12.0	13.3	13.0	13.2
Return on average assets ¹	1.66	1.54	1.53	1.75	1.70	1.72
Weighted avg EPS (₹) ¹	72.2	67.9	65.2	79.1	80.8	80.0
Book value (₹)	578	559	559	607	633	633
Net interest margin ¹	3.11	3.00	3.00	3.27	3.31	3.29
Fee to income	31.1	31.6	32.1	28.5	32.1	30.3
Cost to income	40.5	40.9	41.3	39.4	37.3	38.4
Average CASA ratio	38.0	37.5	38.3	39.0	40.3	39.6

1. Annualised for all interim periods
2. Since December 31, 2012, the Bank has presented the mark-to-market gain or loss on forex and derivative transactions on gross basis. Figures for previous periods have been reclassified accordingly and return on average assets has been re-computed to reflect this change.





Thank you

