



Performance Review: Q3-2014

January 29, 2014

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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



Q3-2014: Performance highlights

Profitability

- 12.5% increase in standalone profit after tax from ₹ 22.50 bn in Q3-2013 (October-December 2012) to ₹ 25.32 bn in Q3-2014 (October-December 2013)
- Net interest income increased by 21.6% year-on-year; net interest margin improved from 3.07% in Q3-2013 to 3.32% in Q3-2014
- Fee income increased by 12.8% year-on-year
- Provision for tax includes ₹ 2.15 bn of deferred tax liability (DTL) created on Special Reserve; excluding this, growth in standalone profit after tax would have been higher at 22.1%
- 8.6% increase in consolidated profit after tax from ₹ 26.45 bn in Q3-2013 to ₹ 28.72 bn in Q3-2014; growth excluding DTL impact would have been 17%



Q3-2014: Performance highlights

Balance sheet

- Advances increased by 16.0% year-on-year to ₹ 3,326.32 billion at December 31, 2013
 - Retail advances growth at 22.3% year-on-year at December 31, 2013
 - Domestic corporate loan growth at 6.9%
- Period end CASA ratio at 43.3% at December 31, 2013 similar to the level at September 30, 2013
 - Average CASA ratio at 39.1% for Q3-2014 compared to 40.3% for Q2-2014
- Net NPA ratio of 0.81% at December 31, 2013 (September 30, 2013: 0.73%; December 31, 2012: 0.64%)



Profit & loss statement

(₹ billion)

	FY 2013	Q3- 2013	9M- 2013	Q2- 2014	Q3- 2014	9M- 2014	Q3-o-Q3 growth
NII	138.66	34.99	100.63	40.44	42.55	121.19	21.6%
Non-interest income	83.46	22.15	61.38	21.66	28.01	74.52	26.5%
- <i>Fee income</i>	69.01	17.71	51.26	19.94	19.97	57.84	12.8%
- <i>Other income</i>	9.50	1.93	6.09	2.51	3.57	8.97	85.0%
- <i>Treasury income</i>	4.95	2.51	4.03	(0.79)	4.47	7.71	78.1%
Total income	222.12	57.14	162.01	62.10	70.56	195.71	23.5%
Operating expenses ¹	90.13	22.61	66.06	23.22	26.17	74.30	15.7%
Operating profit	131.99	34.53	95.95	38.88	44.39	121.41	28.6%

1. Includes commissions paid to direct marketing agents (DMAs) for origination of retail loans and lease depreciation



Profit & loss statement

(₹ billion)

	FY 2013	Q3-2013	9M-2013	Q2-2014	Q3-2014	9M-2014	Q3-o-Q3 growth
Operating profit	131.99	34.53	95.95	38.88	44.39	121.41	28.6%
Provisions	18.03	3.69	13.42	6.25	6.95	19.13	88.3%
Profit before tax	113.96	30.84	82.53	32.63	37.44	102.28	21.4%
Tax	30.71	8.34	22.32	9.11	12.12 ¹	30.70 ¹	45.3%
Profit after tax	83.25	22.50	60.21	23.52	25.32	71.58	12.5%

1. Includes additional tax provision of ₹ 2.15 billion for deferred tax liability on Special Reserve for 9M-2014



Balance sheet: Assets

(₹ billion)

	December 31, 2012	September 30, 2013	December 31, 2013	Y-o-Y growth
Cash & bank balances	411.29	335.81	325.26	(20.9)%
Investments	1,668.42	1,688.29	1,719.85	3.1%
- SLR investments	924.11	986.20	999.45	8.2%
- Equity investment in subsidiaries	124.53	120.23	120.23	(3.4)%
- RIDF ¹ and related	193.42	229.40	222.54	15.1%
Advances ²	2,867.66	3,177.86	3,326.32	16.0%
Fixed & other assets	326.02	433.12	369.83	13.4%
Total assets²	5,273.39	5,635.08	5,741.26	8.9%

- Net investment in security receipts of asset reconstruction companies was ₹ 10.14 bn at December 31, 2013 (September 30, 2013: ₹ 10.91 bn)
- Net credit derivative portfolio completely wound down at December 31, 2013 compared to US\$ 2 mn at September 30, 2013 and US\$ 59 mn at December 31, 2012

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



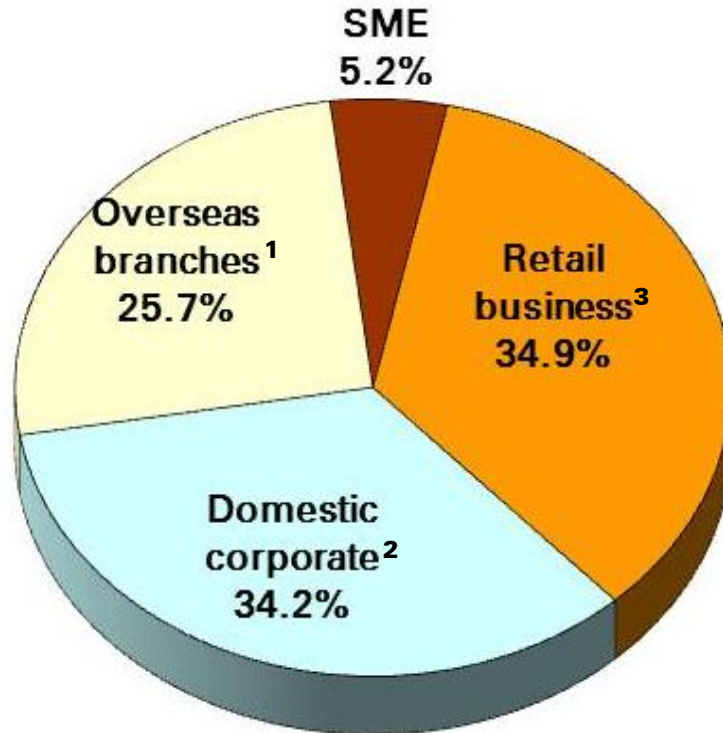
Loan book classification: reporting from March 2013

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



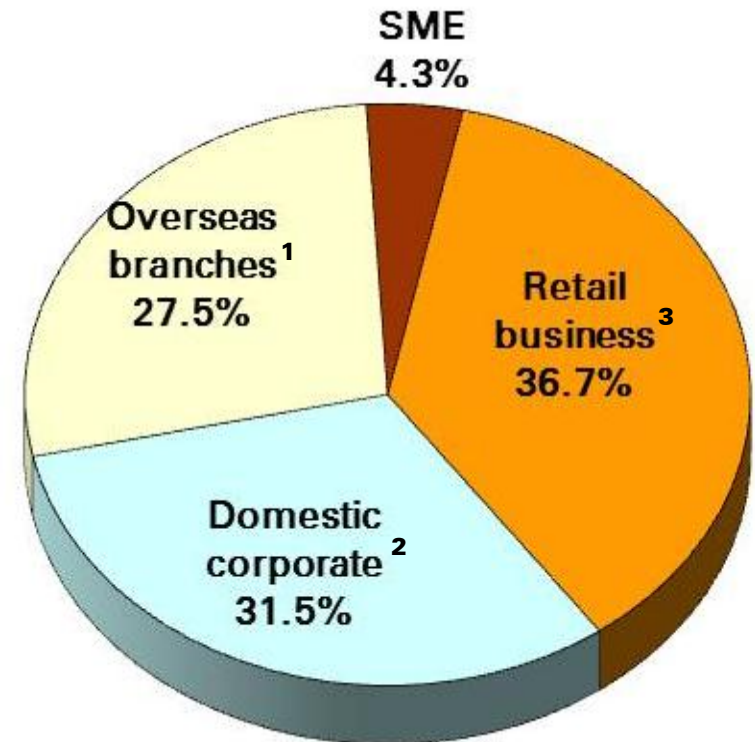
Composition of loan book (y-o-y)

December 31, 2012



Total loan book: ₹ 2,868 bn

December 31, 2013



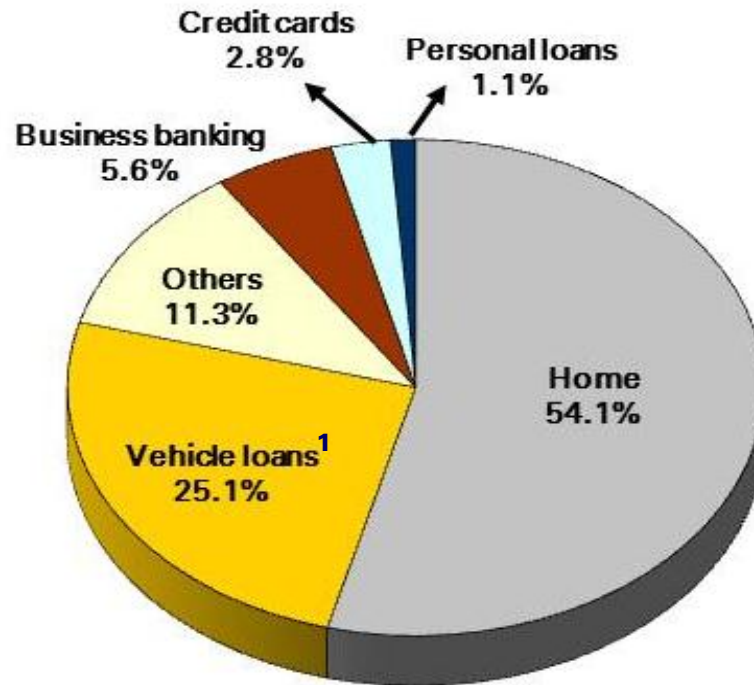
Total loan book: ₹ 3,326 bn

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

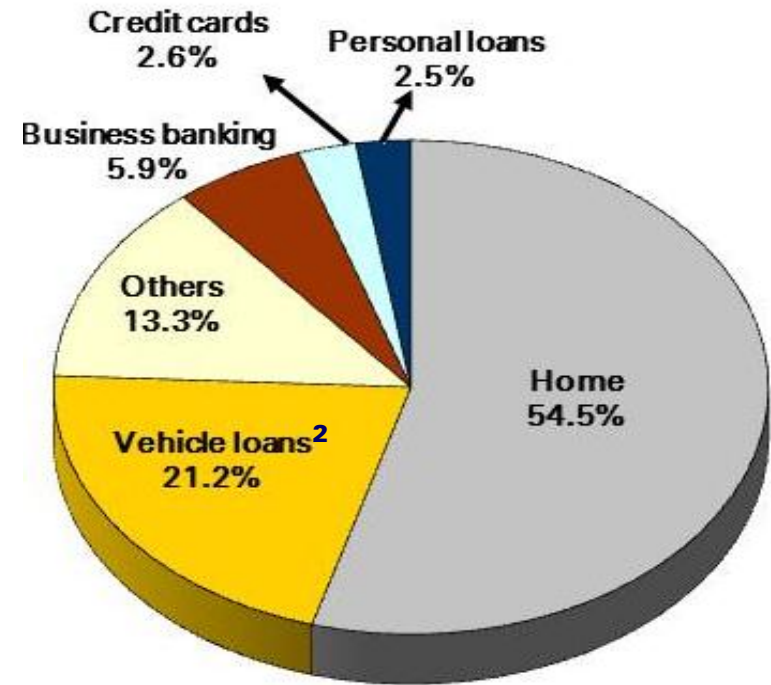


Composition of retail loan book (y-o-y)

December 31, 2012



December 31, 2013



Total retail loan book: ₹ 999 bn

Total retail loan book: ₹ 1,222 bn

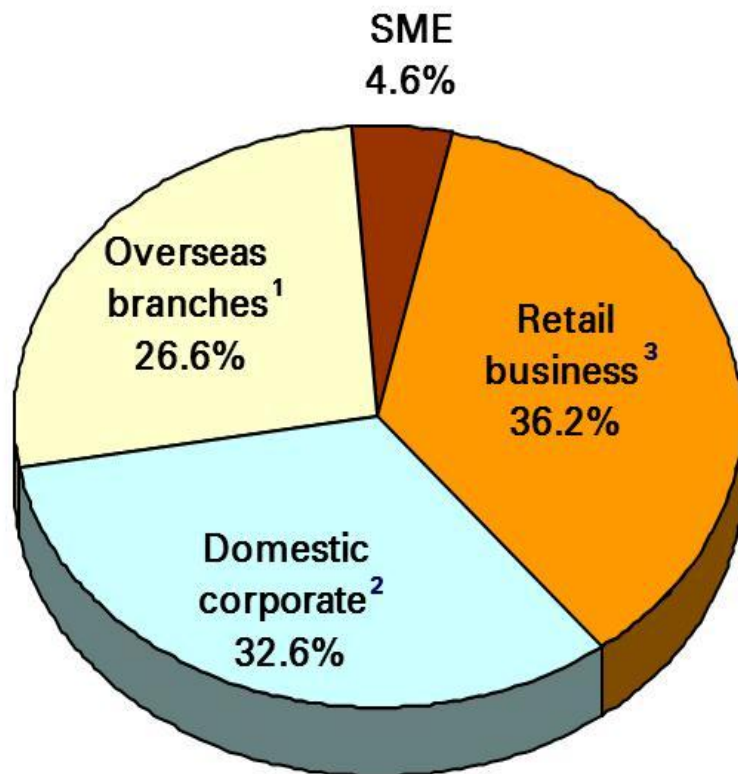
- Total retail advances growth of 22.3%

1. December 31, 2012 : Vehicle loans includes auto loans 10.0%, commercial business 15.1%
2. December 31, 2013: Vehicle loans includes auto loans 11.0%, commercial business 10.2%



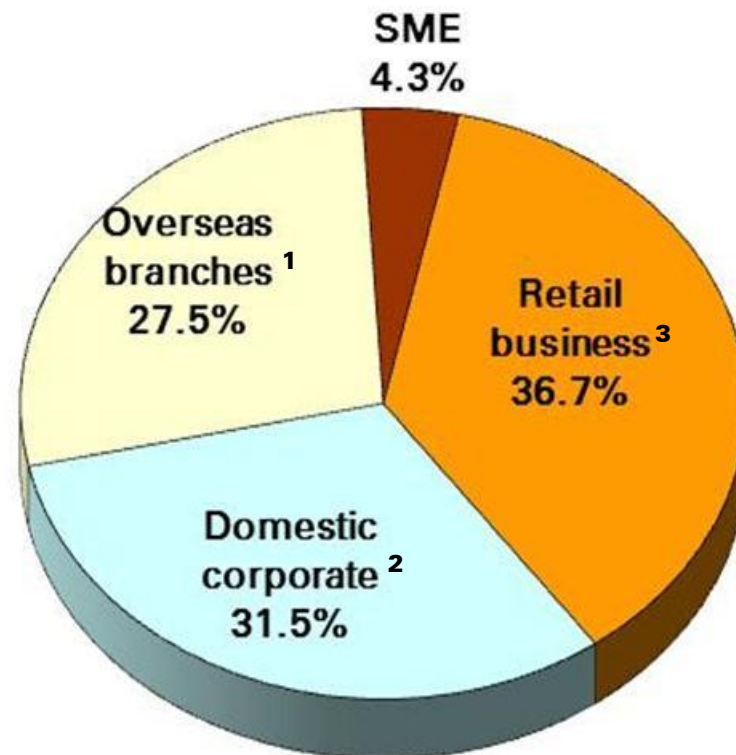
Composition of loan book (q-o-q)

September 30, 2013



Total loan book: ₹ 3,178 bn

December 31, 2013



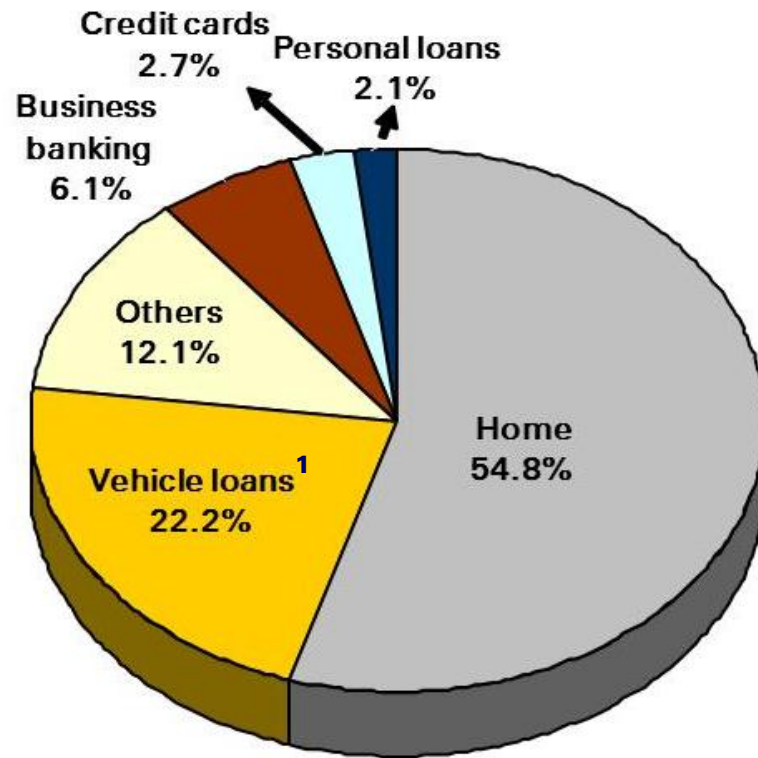
Total loan book: ₹ 3,326 bn

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

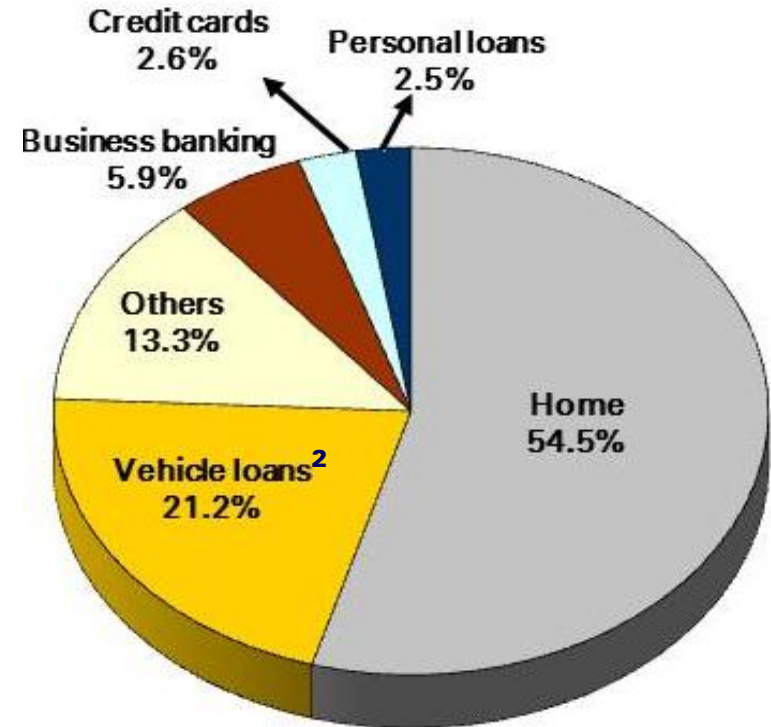


Composition of retail loan book (q-o-q)

September 30, 2013



December 31, 2013



Total retail loan book: ₹ 1,151 bn Total retail loan book: ₹ 1,222 bn

1. September 30, 2013: Vehicle loans includes auto loans 10.5%, commercial business 11.7%
2. December 31, 2013: Vehicle loans includes auto loans 11.0%, commercial business 10.2%



Equity investment in subsidiaries

(₹ billion)

	December 31, 2012	September 30, 2013	December 31, 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)

	December 31, 2012	September 30, 2013	December 31, 2013	Y-o-Y growth
Net worth	671.19	731.03	740.57	10.3%
- Equity capital	11.53	11.54	11.55	0.2%
- Reserves ¹	659.65	719.49	729.02	10.5%
Deposits	2,864.18	3,090.46	3,169.70	10.7%
- Savings	814.63	935.35	957.25	17.5%
- Current	356.74	403.73	414.41	16.2%
Borrowings ^{2,3}	1,471.49	1,453.56	1,509.40	2.6%
Other liabilities ³	266.53	360.03	321.59	20.7%
Total liabilities²	5,273.39	5,635.08	5,741.26	8.9%

1. During the three months ended December 31, 2013, the Bank has created a DTL of ₹ 14.19 billion on Special Reserve outstanding at March 31, 2013, by reducing the reserves
2. Borrowings include preference shares amounting to ₹ 3.50 bn
3. Including impact of exchange rate movement

- Credit/deposit ratio of 80.5% on the domestic balance sheet at December 31, 2013



Composition of borrowings

(₹ billion)

	December 31, 2012	September 30, 2013	December 31, 2013
Domestic	779.59	697.12	692.17
- Capital instruments ¹	388.37	387.71	386.88
- Other borrowings	391.22	309.42	305.29
Overseas ²	691.90	756.44	817.23
- Capital instruments	18.65	21.24	20.97
- Other borrowings	673.25	735.20	796.26
Total borrowings²	1,471.49	1,453.56	1,509.40

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

- Capital instruments constitute 55.9% of domestic borrowings



Capital adequacy

Standalone Basel III	September 30, 2013		December 31, 2013	
	₹ bn	%	₹ bn	%
Total Capital ¹	820.38	16.50%	843.87	16.81%
- Tier I	563.24	11.33%	578.70	11.53%
- Tier II	257.14	5.17%	265.17	5.28%
Risk weighted assets	4,971.00		5,018.83	
-On balance sheet	3,798.66		3,863.45	
-Off balance sheet	1,172.34		1,155.38	

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 9M-2014, the capital adequacy ratio for the Bank as per Basel III norms would have been 17.94% and the Tier I ratio would have been 12.66%
- On a consolidated basis, excluding profits, the total capital adequacy ratio as per Basel III norms is 17.45%; Tier-1 capital adequacy is 11.70%



Asset quality and provisioning

(₹ billion)

	December 31, 2012	September 30, 2013	December 31, 2013
Gross NPAs	98.03	100.78	104.48
Less: Cumulative provisions	76.18	73.71	73.27
Net NPAs	21.85	27.07	31.21
Net NPA ratio	0.64%	0.73%	0.81%

- Gross retail NPLs at ₹ 44.43 bn and net retail NPLs at ₹ 7.88 bn at December 31, 2013 as compared to ₹ 64.84 bn and ₹ 8.81 bn respectively at December 31, 2012¹
- Provisioning coverage ratio of 70.0% at December 31, 2013 computed in accordance with RBI guidelines
- Net loans to companies whose facilities have been restructured at ₹ 86.02 bn at December 31, 2013 compared to ₹ 68.26 bn at September 30, 2013 and ₹ 45.75 bn at December 31, 2012
- Outstanding general provision on standard assets: ₹ 18.49 bn at December 31, 2013

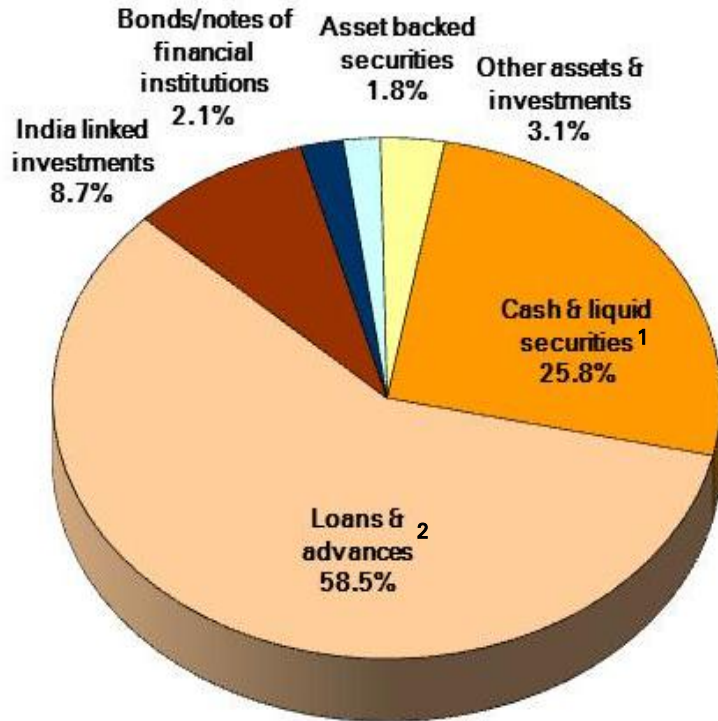
1. Based on revised definition of retail loans

Overseas subsidiaries



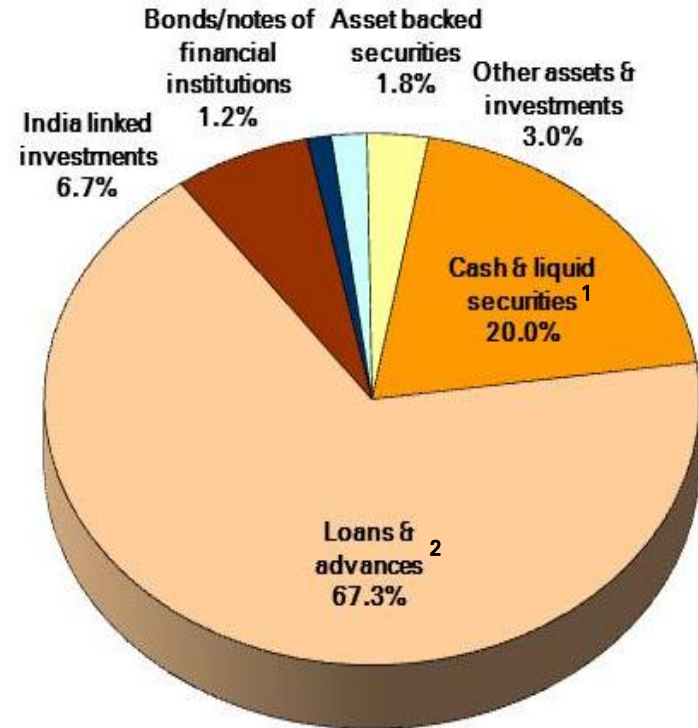
ICICI Bank UK asset profile

September 30, 2013



Total assets: USD 4.2 bn

December 31, 2013



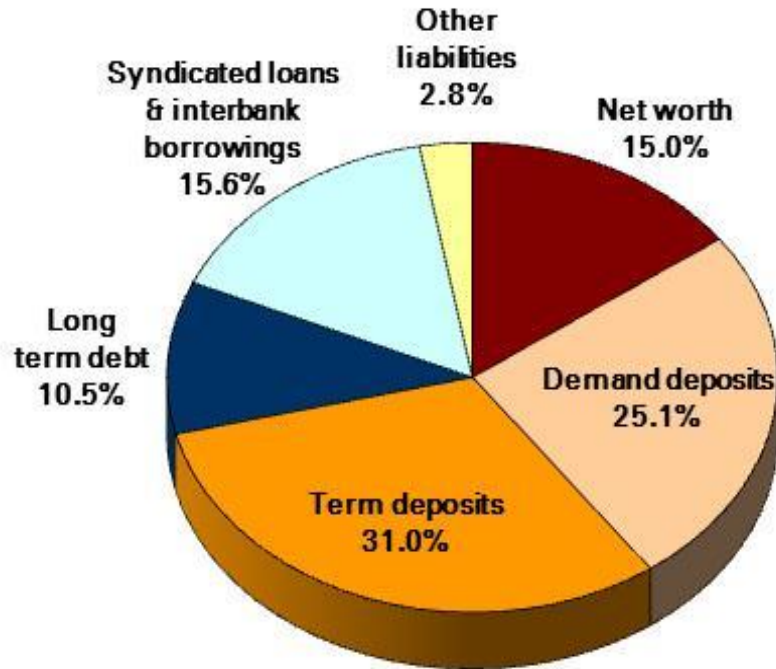
Total assets: USD 4.4 bn

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



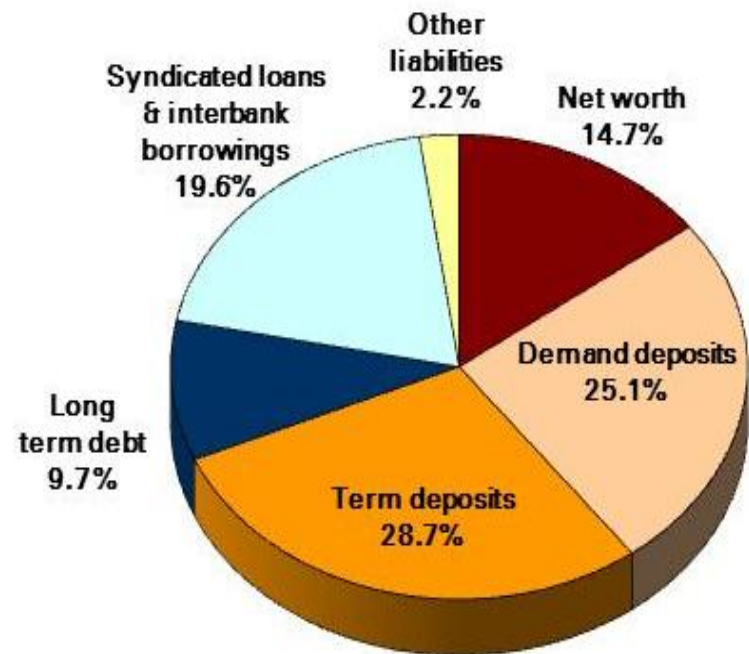
ICICI Bank UK liability profile

September 30, 2013



Total liabilities: USD 4.2 bn

December 31, 2013



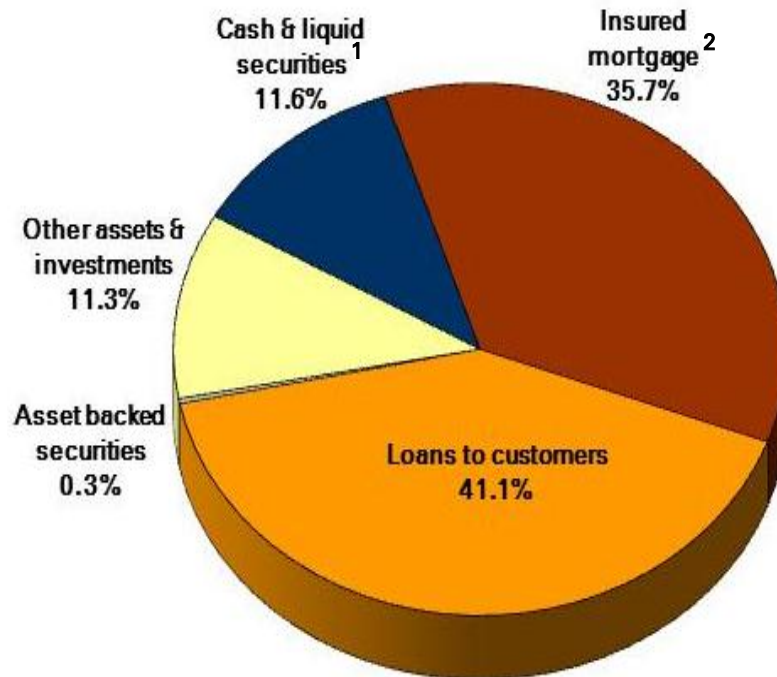
Total liabilities: USD 4.4 bn

- Profit after tax of US\$ 8.5 mn in Q3-2014 compared to US\$ 5.4 mn in Q3-2013
- Capital adequacy ratio at 24.4%
- Proportion of retail term deposits in total deposits at 36% at December 31, 2013



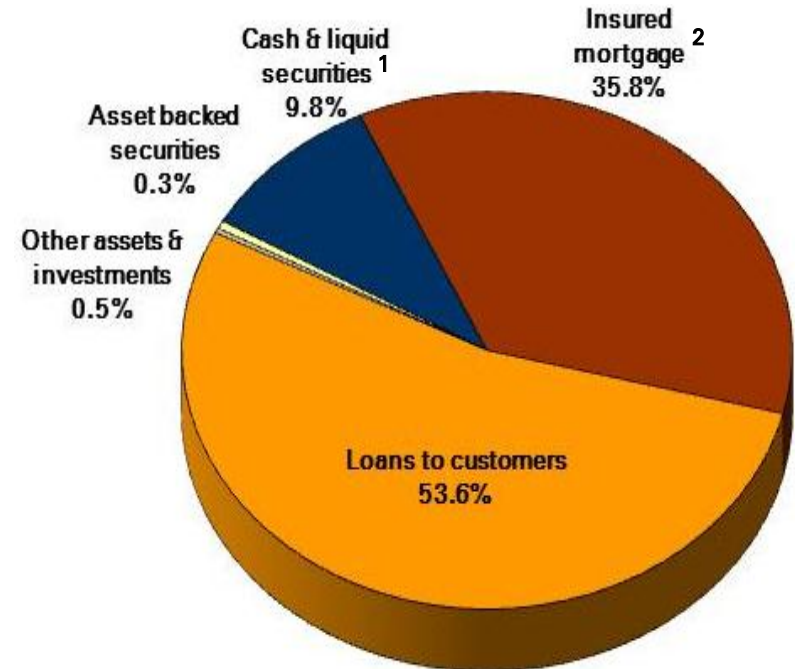
ICICI Bank Canada asset profile

September 30, 2013



Total assets: CAD 5.3 bn

December 31, 2013



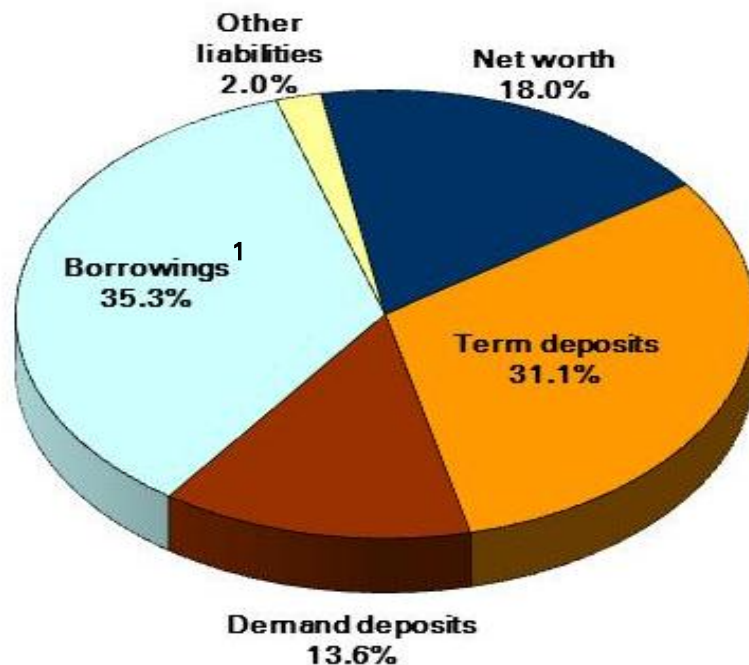
Total assets: CAD 5.3 bn

1. Includes cash & advances to banks and government securities
2. Based on IFRS, securitised portfolio of CAD 1,815 mn and CAD 1,818 mn considered as part of Insured mortgage portfolio at September 30, 2013 and December 31, 2013 respectively



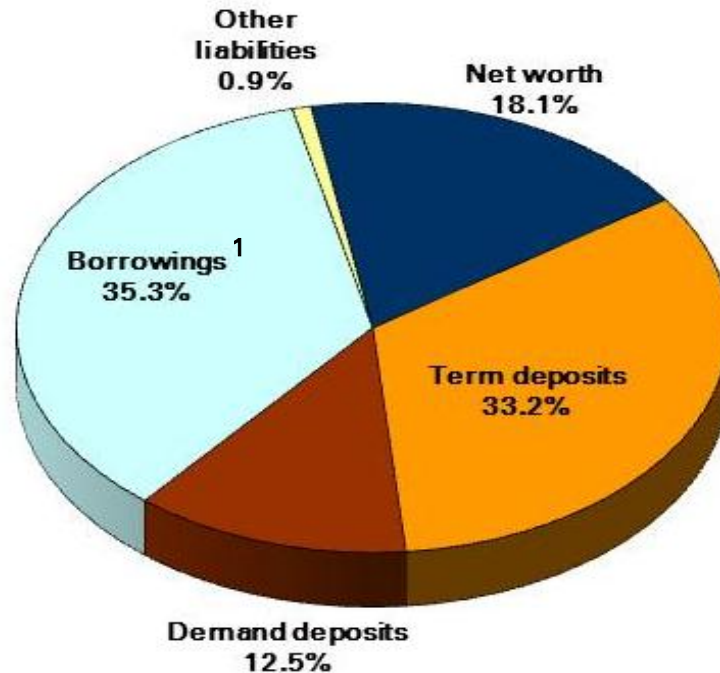
ICICI Bank Canada liability profile

September 30, 2013



Total liabilities: CAD 5.3 bn

December 31, 2013



Total liabilities: CAD 5.3 bn

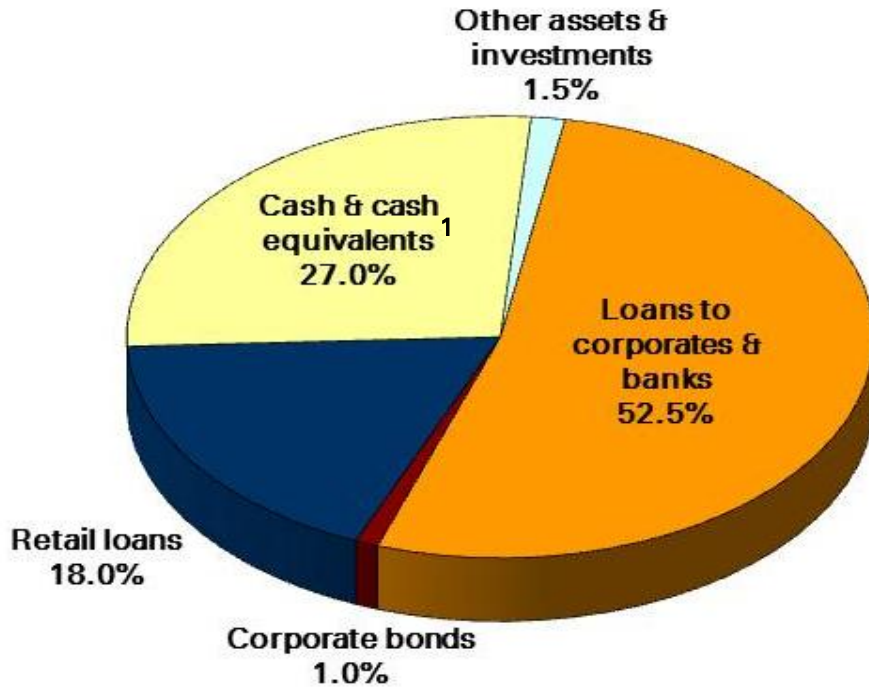
- Profit after tax of CAD 10.0 mn in Q3-2014 compared to CAD 8.3 mn in Q3-2013
- Capital adequacy ratio at 31.6%

1. As per IFRS, proceeds of CAD 1,809 mn and CAD 1,815 mn from sale of securitised portfolio considered as part of borrowings at September 30, 2013 and December 31, 2013 respectively



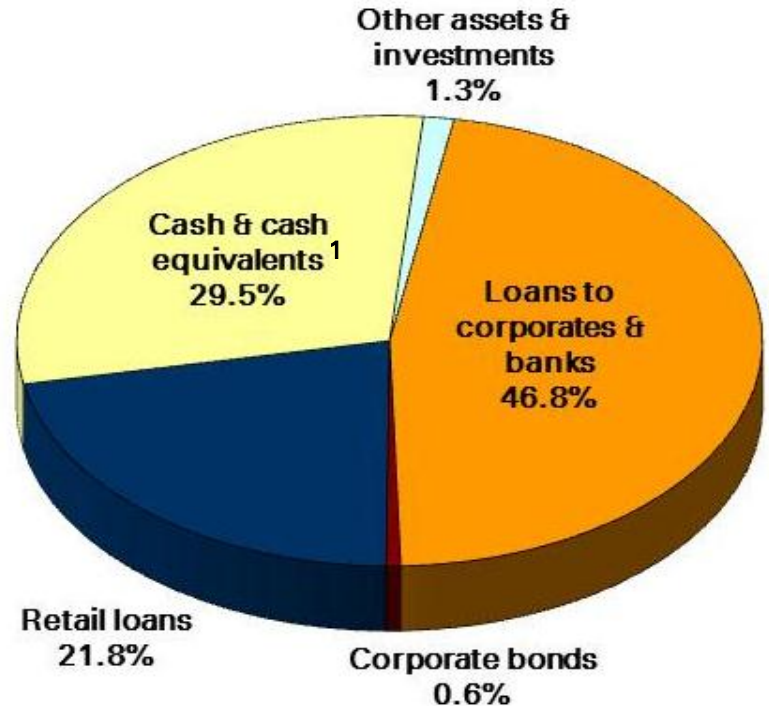
ICICI Bank Eurasia asset profile

September 30, 2013



Total assets: USD 182 mn

December 31, 2013



Total assets: USD 144 mn

- Total borrowings of USD 67 mn at December 31, 2013
- Capital adequacy of 41.6% at December 31, 2013
- Net profit of USD 0.1 mn in Q3-2014 compared to USD 2.4 mn in Q3-2013

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



Domestic subsidiaries

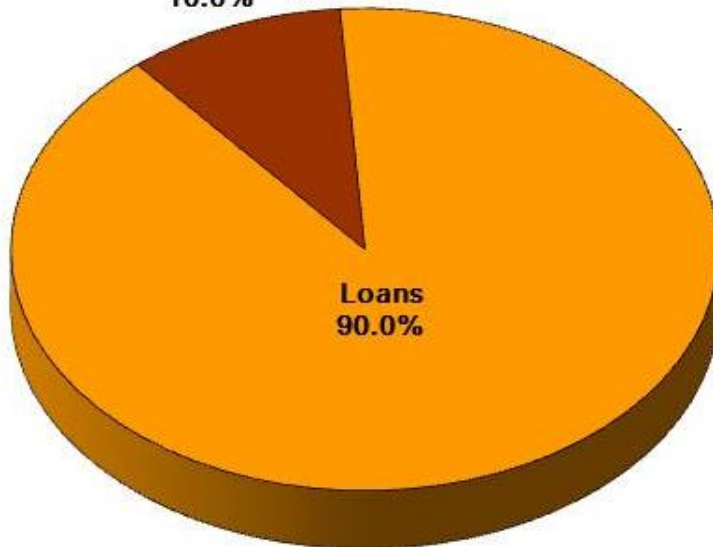


ICICI Home Finance

September 30, 2013

Investments and other assets

10.0%



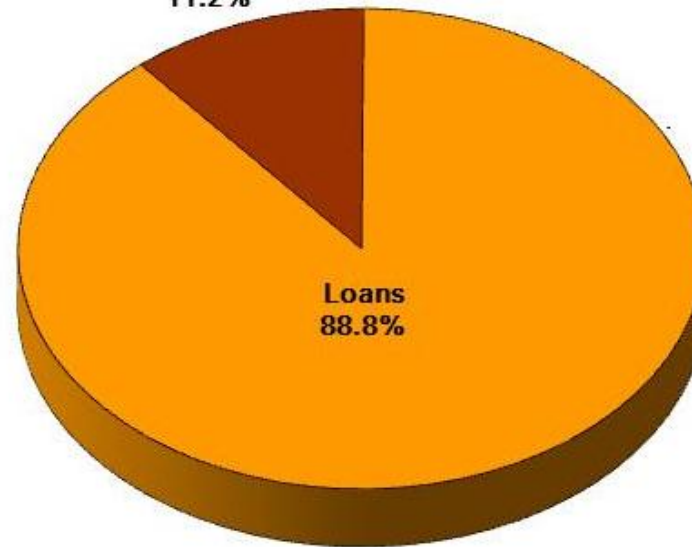
Loans
90.0%

Total assets: ₹ 69.68 bn

December 31, 2013

Investments and other assets

11.2%



Loans
88.8%

Total assets: ₹ 71.68 bn

- Profit after tax of ₹ 516.7 mn in Q3-2014 compared to ₹ 533.7 mn in Q3-2013
- Capital adequacy ratio of 32.2% at December 31, 2013
- Net NPA ratio: 0.8%
- At December 31, 2013: Networth ₹ 15.11 bn; Deposits ₹ 3.34 bn and Borrowings & other liabilities ₹ 52.23 bn

ICICI Life

(₹ billion)

	Q3-2013	Q3-2014	FY2013
New business received premium	11.05	9.33	48.08
Renewal premium	21.02	20.95	87.30
Total premium	32.07	30.28	135.38
Annualised premium equivalent (APE)	9.04	8.68	35.32
New Business Profit (NBP) ¹	1.36	0.95	5.29
NBP margin	15.0%	10.9%	15.0%
Statutory profit	3.97	4.28	14.96
Assets Under Management	749.82	773.93	741.64
Expense ratio ²	19.4%	18.2%	19.2%

- Sustained leadership in private space with an overall market share of 7.2%³ for H1-2014
 - Private sector market share increased from 18.3% in H1-2013 to 19.9% in H1-2014

1. On Traditional Embedded Value basis; post tax
2. All expenses (including commission) / (Total premium – 90% of single premium)
3. Source: IRDA (new business retail weighted premium)



ICICI General

(₹ billion)

	Q3-2013	Q3-2014	FY2013
Gross premium ¹	16.87	17.38	64.20
PAT	0.95	0.76	3.06 ²

- Profit after tax of ₹ 4.35 billion for 9M-2014 compared to ₹ 2.79 billion in 9M-2013
- Market share based on gross written premium was 9.6%³ for April-November 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	Q3-2013	Q3-2014	FY2013
ICICI Securities (Consolidated)	0.28	0.35	0.64
ICICI Securities Primary Dealership	0.23	0.48	1.22
ICICI Venture	0.04	0.07	0.20
ICICI Prudential Asset Management	0.28	0.47	1.10

- 16.9% increase in consolidated profit after tax from ₹ 71.12 bn in 9M-2013 to ₹ 83.17 bn in 9M-2014
 - 8.6% increase in consolidated profit after tax from ₹ 26.45 bn in Q3-2013 to ₹ 28.72 bn in Q3-2014
- Consolidated return on average net worth for 9M-2014 at 15.1% compared to 14.6% for 9M-2013 (14.7% for FY2013)
 - Consolidated return on average net worth (annualised) for Q3-2014 at 15.0% compared to 15.7% for Q3-2013



Key ratios



Key ratios (consolidated)

(Percent)

	FY 2013	Q3- 2013	9M- 2013	Q2- 2014	Q3- 2014	9M- 2014
Return on average networth ^{1,2} (consolidated)	14.7	15.7	14.6	14.6	15.0	15.1
Weighted avg EPS (₹) ²	83.3	91.0	81.9	92.7	98.7	95.6
Book value (₹)	607	598	598	657	668	668

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



Key ratios (standalone)

(Percent)

	FY 2013	Q3- 2013	9M- 2013	Q2- 2014	Q3- 2014	9M- 2014
Return on average networth ¹	12.9	13.6	12.5	13.0	13.7	13.4
Return on average assets ¹	1.66	1.76	1.61	1.70	1.75	1.73
Weighted avg EPS (₹) ¹	72.2	77.4	69.3	80.8	87.0	82.3
Book value (₹)	578	582	582	633	641	641
Net interest margin ¹	3.11	3.07	3.03	3.31	3.32	3.30
Fee to income	31.1	31.0	31.7	32.1	28.3	29.6
Cost to income	40.5	39.5	40.7	37.3	37.0	37.9
Average CASA ratio	38.0	37.4	38.0	40.3	39.1	39.5

1. Annualised for all interim periods





Thank you

