

News Release**July 27, 2018****Performance Review: Quarter ended June 30, 2018**

- **The core operating profit (profit before provisions and tax, excluding treasury income) grew by 17% year-on-year to ₹ 5,042 crore (US\$ 736 million) in the quarter ended June 30, 2018 (Q1-2019)**
 - **Net interest margin at 3.19% in Q1-2019**
 - **Fee income grew by 16% year-on-year in Q1-2019 driven by retail fee income growth of 18% year-on-year**
 - **Operating expenses grew by 9% year-on-year in Q1-2019**
- **Domestic loan growth at 15% year-on-year at June 30, 2018 driven by retail**
 - **Retail loans grew by 20% year-on-year and constituted 58% of the total loan portfolio at June 30, 2018 compared to 47% at March 31, 2016**
- **16% year-on-year growth in current and savings account (CASA) deposits; CASA ratio at 50.5% at June 30, 2018**
- **Net NPA ratio decreased from 4.77% at March 31, 2018 to 4.19% at June 30, 2018**
 - **Recoveries of ₹ 2,036 crore (US\$ 297 million) in Q1-2019**
 - **560 basis points (bps) sequential increase in provision coverage ratio (including technical/prudential write-offs) to 66.1% at June 30, 2018, further strengthening the balance sheet**
- **Total capital adequacy ratio of 18.35% and Tier-1 capital adequacy ratio of 15.84% on standalone basis at June 30, 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 June 30, 2018.

Profit & loss account

- Net interest income was ₹ 6,102 crore (US\$ 891 million) in the quarter ended June 30, 2018 (Q1-2019) compared to ₹ 5,590 crore (US\$ 816 million) in the quarter ended June 30, 2017 (Q1-2018).
- Overall net interest margin of 3.19% in Q1-2019 compared to 3.23% in FY2018.
- Non-interest income, excluding treasury income, was ₹ 3,085 crore (US\$ 451 million) in Q1-2019 compared to ₹ 2,530 crore (US\$ 370 million) in Q1-2018.
 - Fee income grew by 16% year-on-year to ₹ 2,754 crore (US\$ 402 million) in Q1-2019 from ₹ 2,377 crore (US\$ 347 million) in Q1-2018. Retail fee income grew by 18% in Q1-2019 and constituted 75% of total fees.
- The core operating profit (profit before provisions and tax, excluding treasury income) was ₹ 5,042 crore (US\$ 736 million) in Q1-2019 compared to ₹ 4,326 crore (US\$ 632 million) in Q1-2018.
- Treasury income was ₹ 766 crore in Q1-2019 (US\$ 112 million). Treasury income in Q1-2019 included gains of ₹ 1,110 crore (US\$ 162 million) on sale of shareholding in ICICI Prudential Life Insurance. Mark-to-market losses on the AFS and HFT portfolio aggregated ₹ 219 crore (US\$ 32 million) in Q1-2019. While RBI had allowed the banks to spread such provisioning for such mark-to-market losses over up to four quarters, the Bank provided for such losses in Q1-2019 itself.
- While the gross additions to NPA at ₹ 4,036 crore (US\$ 589 million) were the lowest in the last 11 quarters, additional provisions on existing NPAs as per Reserve Bank of India (RBI) guidelines (ageing-based provisions and provisions for cases directed by RBI to be referred to the National Company Law Tribunal) resulted in total provisions of ₹ 5,971 crore (US\$ 872 million) and a net loss of ₹ 120 crore (US\$ 18 million) in Q1-2019.
- Consolidated profit after tax was ₹ 5 crore (US\$ 1 million) in Q1-2019.

Operating review

Credit growth

The year-on-year growth in domestic advances was 15% at June 30, 2018. The Bank has continued to leverage its strong retail franchise, resulting in a year-on-year growth of 20% in the retail portfolio at June 30, 2018. The retail portfolio constituted about 58% of the loan portfolio of the Bank at June 30, 2018. Total advances increased by 11% year-on-year to ₹ 516,289 crore (US\$ 75.4 billion) at June 30, 2018 from ₹ 464,075 crore (US\$ 67.8 billion) at June 30, 2017.

Deposit growth

CASA deposits increased by 16% year-on-year to ₹ 276,294 crore (US\$ 40.4 billion) at June 30, 2018. The Bank's CASA ratio was 50.5% at June 30, 2018 compared to 51.7% at March 31, 2018 and 49.0% at June 30, 2017. The average CASA ratio increased to 46.1% in Q1-2019 from 45.9% in the quarter ended March 31, 2018 (Q4-2018). Total deposits increased by 12% year-on-year to ₹ 546,878 crore (US\$ 79.9 billion) at June 30, 2018. The Bank had a network of 4,867 branches and 14,394 ATMs at June 30, 2018.

Capital adequacy

The Bank's total capital adequacy at June 30, 2018 as per Reserve Bank of India's guidelines on Basel III norms was 18.35% and Tier-1 capital adequacy was 15.84% compared to the regulatory requirements of 11.03% and 9.03% respectively.

Asset quality

The gross additions to NPA were ₹ 4,036 crore (US\$ 589 million) in Q1-2019. Recoveries and upgrades from non-performing loans were ₹ 2,036 crore (US\$ 297 million) in Q1-2019. The provision coverage ratio on non-performing loans, including cumulative technical/prudential write-offs increased by 560 bps sequentially to 66.1% at June 30, 2018, further strengthening the balance sheet. The net NPA ratio decreased from 4.77% at March 31, 2018 to 4.19% at June 30, 2018. Net loans to companies whose facilities have been restructured were ₹ 1,413 crore (US\$ 206 million) at June 30, 2018 compared to ₹ 1,553 crore (US\$ 227 million) at March 31, 2018. Net NPAs and net restructured loans as proportion of net customer assets decreased from 5.03% at March 31, 2018 to 4.43% at June 30, 2018.

Digital transactions

In Q1-2019, value of debit card transactions and credit card transactions increased by 18% y-o-y and 35% y-o-y respectively. About 16 million Unified Payment Interface (UPI) Virtual Payment Addresses have been created using the Bank's and partners' platforms till June 30, 2018. Digital channels like internet, mobile banking, POS and others accounted for about 85% of the savings account transactions in Q1-2019 compared to 82% in FY2018 driven by growth in mobile banking transactions.

Consolidated results

Consolidated profit after tax was ₹ 5 crore (US\$ 1 million) in Q1-2019 compared to ₹ 2,605 crore (US\$ 380 million) in Q1-2018.

Consolidated assets grew by 12% from ₹ 984,702 crore (US\$ 143.8 billion) at June 30, 2017 to ₹ 1,098,790 crore (US\$ 160.5 billion) at June 30, 2018.

Subsidiaries

ICICI Prudential Life Insurance Company (ICICI Life) announced results for Q1-2019 on July 24, 2018. ICICI Life's retail weighted received premium was ₹ 1,282 crore (US\$ 187 million) in Q1-2019. Total premium increased by 13% year-on-year to ₹ 5,518 crore (US\$ 806 million) in Q1-2019. The Value of New Business grew by 34% year-on-year to ₹ 244 crore (US\$ 36 million) in Q1-2019. The new business margin improved from 16.5% in FY2018 to 17.5% in Q1-2019. The annualized premium equivalent (APE) declined by 18% year-on-year to 1,396 crore (US\$ 204 million) in Q1-2019. ICICI Life's profit after tax was ₹ 282 crore (US\$ 41 million) for Q1-2019 compared to ₹ 406 crore (US\$ 59 million) for Q1-2018. ICICI Life was the private sector market leader with a market share of 21.0% in Q1-2019.

ICICI Lombard General Insurance Company (ICICI General) announced results for Q1-2019 on July 17, 2018. The gross written premium of ICICI General grew by 14% from ₹ 3,394 crore (US\$ 496 million) in Q1-2018 to ₹ 3,856 crore (US\$ 563 million) in Q1-2019. ICICI General continues to retain its market leadership among the private sector players. The company's combined ratio improved to 98.8% in Q1-2019 from 102.4% in Q1-2018. ICICI General's profit after tax grew by 35% from ₹ 214 crore (US\$ 31 million) in Q1-2018 to ₹ 289 crore (US\$ 42 million) in Q1-2019.

ICICI Securities announced results for Q1-2019 on July 23, 2018. As per Ind AS, the profit after tax of ICICI Securities, on a consolidated basis, increased by 14% from ₹ 118 crore (US\$ 17 million) in Q1-2018 to ₹ 134 crore (US\$ 20 million) in Q1-2019. The return on net worth of ICICI Securities was 59% in Q1-2019.

The profit after tax of ICICI Prudential Asset Management Company (ICICI AMC) was ₹ 80 crore (US\$ 12 million) in Q1-2019 compared to ₹ 141 crore (US\$ 21 million) in Q1-2018. ICICI AMC continues to be the largest mutual fund in India based on average assets under management for Q1-2019.

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

₹ crore

	Q1-2018	Q4-2018	Q1-2019	FY2018
Net interest income	5,590	6,022	6,102	23,026
Non-interest income	2,530	2,993	3,085	11,618
- Fee income	2,377	2,755	2,754	10,341
- Other income	153	238	331	1,277
Less:				
Operating expense	3,794	4,186	4,145	15,704
Core operating profit³	4,326	4,829	5,042	18,940
- Treasury income ¹	858	2,685	766 ²	5,802 ¹
Operating profit	5,184	7,514	5,808	24,742
Less:				
Provisions	2,609	6,626	5,971	17,307
Profit before tax	2,575	888	(163)	7,435
Less: Tax	526	(132)	(43)	658
Profit after tax	2,049	1,020	(120)	6,777

1. Includes profit on sale of shareholding in subsidiaries of 3,320 crore in Q4-2018, ₹ 1,110 crore in Q1-2019 and 5,332 crore in FY2018.
2. Mark-to-market losses on the AFS and HFT portfolio aggregated ₹ 219 crore (US\$ 32 million) Q1-2019. While RBI had allowed the banks to spread such provisioning for such mark-to-market losses over up to four quarters, the Bank provided for such losses in Q1-2019 itself.
3. Excluding treasury income
4. Prior period figures have been re-grouped/re-arranged where necessary

Summary Balance Sheet

₹ crore

	30-Jun-17	30-Jun-18	31-Mar-18
	(Audited)	(Audited)	(Audited)
Capital and Liabilities			
Capital	1,283	1,287	1,286
Employee stock options outstanding	6	6	6
Reserves and surplus	99,335	104,049 ¹	103,868 ¹
Deposits	486,254	546,878	560,975
Borrowings (includes subordinated debt) ²	141,460	161,970	182,859
Other liabilities	32,578	30,938	30,195
Total Capital and Liabilities	760,916	845,128	879,189
Assets			
Cash and balances with Reserve Bank of India	28,762	31,059	33,102
Balances with banks and money at call and short notice	13,748	32,236	51,067
Investments	185,408	186,360	202,994
Advances	464,075	516,289	512,395
Fixed assets	8,023	7,817	7,904
Other assets	60,900	71,367	71,727
Total Assets	760,916	845,128	879,189

1. The Bank had classified three borrower accounts in the gems and jewellery sector with fund-based outstanding of ₹ 794.87 crore as fraud and non-performing during Q4-2018 and made a provision of ₹ 289.45 crore through P&L account and ₹ 505.42 crore by debiting reserves and surplus, as permitted by RBI. Additionally, during Q4-2018 the Bank also made provision for certain other fraud and non-performing cases by debiting reserves and surplus amounting to ₹ 19.98 crore, as permitted by RBI. The provision made by debiting reserves and surplus would be reversed and accounted through the profit and loss account over the year ending March 31, 2019. During Q1-2019, provision amounting to ₹ 247.82 crore has been recognized through P&L and equivalent debit was reversed in reserves and surplus
2. Borrowings at June 30, 2017 and March 31, 2018 include preference share capital of ₹ 350 crore, which were redeemed on April 20, 2018
3. Prior period figures have been re-grouped/re-arranged where necessary.

All financial and other information in this press release, 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 audited unconsolidated, consolidated and segmental results required by Indian regulations that has, along with this release, 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 Exchange Commission, and is available on our website www.icicibank.com.

Except for the historical information contained herein, statements in this release which contain words or phrases such as 'will', 'expected to', etc., and similar expressions or variations of such expressions may constitute 'forward-looking statements'. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results, opportunities and growth potential to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to, the actual growth in demand for banking and other financial products and services in the countries in which we operate or where a material number of our customers reside, future levels of non-performing and restructured loans and any increased provisions and regulatory and legal changes relating to those loans, our exposure to securities of asset reconstruction companies, our ability to successfully implement our strategies, including our retail deposit growth strategy, the strategic use of technology and the Internet and our strategy to reduce our net non-performing assets, the continued service of our senior management, the outcome of any legal, tax or regulatory proceedings in India and in other jurisdictions in which we are or become a party to, the outcome of any internal or independent enquiries or regulatory or governmental investigations, our rural expansion, our exploration of merger and acquisition opportunities, our ability to integrate recent or future mergers or acquisitions into our operations and manage the risks associated with such acquisitions to achieve our strategic and financial objectives, our ability to manage the increased complexity of the risks that we face in following our international growth, future levels of impaired loans, our growth and expansion in domestic and overseas markets, our status as a systemically important bank in India, our ability to maintain enhanced capital and liquidity requirements, the adequacy of our allowance for credit and investment losses, our ability to market new products, investment income, cash flow projections, the impact of any changes in India's credit rating, the impact of new accounting standards or new accounting framework, our ability to implement our dividend payment practice, the impact of changes in banking and insurance regulations and other regulatory changes in India and other jurisdictions on us, including changes in regulatory intensity, supervision and interpretations, the state of the global financial system and systemic risks, bond and loan market conditions and availability of liquidity amongst the investor community in these markets, the nature of credit spreads and interest spreads from time to time, including the possibility of increasing credit spreads or interest rates, our ability to roll over our short-term funding sources and our exposure to credit, market, liquidity and reputational risks. ICICI Bank undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

This release does not constitute an offer of securities.



ICICI Bank Limited
ICICI Bank Towers
Bandra Kurla Complex
Mumbai 400 051

For further press queries please call Sujit Ganguli / Kausik Datta at 91-22-2653 8525 / 91-22-2653 7026 or email corporate.communications@icicibank.com

For investor queries please call Anindya Banerjee / Sonal Bagaria at 91-22-2653 7131 / 91-22-2653 6124 or email ir@icicibank.com.

1 crore = 10.0 million

US\$ amounts represent convenience translations at US\$1= ₹ 68.47