

News Release**October 31, 2020****Performance Review: Quarter ended September 30, 2020**

- **Profit after tax was ₹ 4,251 crore (US\$ 576 million) in the quarter ended September 30, 2020 (Q2-2021) compared to ₹ 655 crore (US\$ 89 million) in the quarter ended September 30, 2019 (Q2-2020)**
- **Core operating profit (profit before provisions and tax, excluding treasury income) grew by 18% year-on-year to ₹ 7,719 crore (US\$ 1.0 billion) in Q2-2021**
- **Total deposits grew by 20% year-on-year to ₹ 832,936 crore (US\$ 112.9 billion) at September 30, 2020**
 - **17% growth in average current and savings account (CASA) deposits in Q2-2021; average CASA ratio was 40.3% in Q2-2021**
 - **Term deposits grew by 26% year-on-year at September 30, 2020**
- **Domestic loans grew by 10% year-on-year and 4% quarter-on-quarter at September 30, 2020**
 - **Retail loans grew by 13% year-on-year and 6% sequentially quarter-on-quarter**
- **Net non-performing asset (NPA) ratio decreased from 1.23% at June 30, 2020 to 1.00% at September 30, 2020; including loans not classified as NPA pursuant to the Supreme Court's interim order, net NPA ratio would have been 1.12%**
- **Provision coverage ratio increased from 78.6% at June 30, 2020 to 81.5% at September 30, 2020**
- **Additionally, the Bank held Covid-19 related provisions of ₹ 8,772 crore (US\$ 1.2 billion) at September 30, 2020**
- **Total capital adequacy ratio of 19.33% and Tier-1 capital adequacy ratio of 17.89% on a standalone basis at September 30, 2020 (including profits for the six months ended September 30, 2020)**

The Board of Directors of ICICI Bank Limited (NSE: ICICIBANK, BSE: 532174, NYSE: IBN) at its meeting held at Mumbai today, approved the standalone and consolidated accounts of the Bank for the quarter ended September 30, 2020. The statutory auditors have conducted a limited review and have issued an unmodified report on the standalone and consolidated financial statements for the quarter ended September 30, 2020.

Profit & loss account

- The core operating profit (profit before provisions and tax, excluding treasury income) increased by 18% year-on-year to ₹ 7,719 crore (US\$ 1.0 billion) in Q2-2021 from ₹ 6,533 crore (US\$ 886 million) in Q2-2020
- Net interest income (NII) increased by 16% year-on-year to ₹ 9,366 crore (US\$ 1.3 billion) in Q2-2021 from ₹ 8,057 crore (US\$ 1.1 billion) in Q2-2020
- The net interest margin was 3.57% in Q2-2021 compared to 3.69% in the quarter ended June 30, 2020 (Q1-2021) and 3.64% in Q2-2020, reflecting surplus liquidity with the Bank
- Non-interest income, excluding treasury income, was ₹ 3,486 crore (US\$ 473 million) in Q2-2021 compared to ₹ 3,854 crore (US\$ 522 million) in Q2-2020
- Fee income was ₹ 3,139 crore (US\$ 426 million) in Q2-2021 compared to ₹ 3,478 crore (US\$ 471 million) in Q2-2020. Fee income increased sequentially by 49% in Q2-2021 over Q1-2021 reflecting the increase in customer spending, borrowing and investment activity. Retail fees constituted 76% of total fees in Q2-2021
- Treasury income was ₹ 542 crore (US\$ 73 million) in Q2-2021 compared to ₹ 341 crore (US\$ 46 million) in Q2-2020. During Q2-2021, the Bank sold 2.0% shareholding in ICICI Securities resulting in gain of ₹ 305 crore (US\$ 41 million)
- Provisions (excluding provision for tax) were ₹ 2,995 crore (US\$ 406 million) in Q2-2021 compared to ₹ 2,507 crore (US\$ 340 million) in Q2-2020. This includes provision of ₹ 497 crore (US\$ 67 million) made on a prudent basis on loans aggregating to ₹ 1,410 crore (US\$ 191 million) that were not classified as non-performing pursuant to the Supreme Court's interim order dated September 3, 2020 directing that accounts which were not classified as non-performing till August 31, 2020, should not be classified as non-performing until further orders
- At September 30, 2020, the Bank held Covid-19 related provision of ₹ 8,772 crore (US\$ 1.2 billion)
- The profit before tax grew by 21% year-on-year to ₹ 5,266 crore (US\$ 714 million) in Q2-2021 from ₹ 4,367 crore (US\$ 592 million) in Q2-2020

- Tax expense was ₹ 1,015 crore (US\$ 138 million) in Q2-2021 compared to ₹ 3,712 crore (US\$ 503 million) in Q2-2020. The tax expense in Q2-2020 included a one-time additional charge due to re-measurement of accumulated deferred tax assets at the revised marginal tax rate
- On a standalone basis, the profit after tax was ₹ 4,251 crore (US\$ 576 million) in Q2-2021 compared to ₹ 655 crore (US\$ 89 million) in Q2-2020
- The consolidated return on equity was 14.2% in Q2-2021

Operating review

Post the easing of restrictions, there has been a substantial month-on-month increase in disbursements across retail products. Mortgage disbursements during Q2-2021 crossed pre-Covid levels and reached an all-time monthly high in September 2020. Auto loan disbursements have continued to increase from June 2020 and have reached pre-Covid levels in September 2020 reflecting the rise in passenger car sales. Disbursements across the rural portfolio have crossed pre-Covid levels in the months of August and September 2020. Credit card spends recovered to about 85% of pre-Covid levels in September 2020 led by increased spends in categories such as health & wellness, electronics and e-commerce.

Credit growth

The retail loan portfolio grew by 13% year-on-year and 6% sequentially at September 30, 2020. Retail loans comprised 65.8% of the total loan portfolio at September 30, 2020. Including non-fund outstanding, retail was 53.6% of the total portfolio at September 30, 2020. Growth in the performing domestic corporate portfolio was about 7% year-on-year. The domestic advances grew by 10% year-on-year and 4% sequentially at September 30, 2020. Total advances increased by 6% year-on-year to ₹ 652,608 crore (US\$ 88.5 billion) at September 30, 2020 from ₹ 613,359 crore (US\$ 83.1 billion) at September 30, 2019.

Deposit growth

Total deposits increased by 20% year-on-year to ₹ 832,936 crore (US\$ 112.9 billion) at September 30, 2020. Average current account deposits increased by 21% year-on-year in Q2-2021. Average savings account deposits increased by 15% year-on-year in Q2-2021. Total term deposits increased by 26% year-on-year to ₹ 468,356 crore (US\$ 63.5 billion) at September 30, 2020.

The Bank had a network of 5,288 branches and 15,158 ATMs at September 30, 2020.

Digital initiatives and transactions

During Q2-2021, the Bank launched the iStartup 2.0 programme, which enables startups to open current accounts digitally and instantly at the time of incorporation. It also offers startups a range of banking and non-banking services needed to expand their business digitally. The Bank has seen an increase in the adoption of the newly launched services and platforms such as video KYC and WhatsApp banking. In September, the Bank introduced new features on the WhatsApp banking platform which enable customers to create fixed deposits, pay their utility bills and access details of trade finance instantly. The Bank has also introduced forex on mobile through the InstaBIZ platform for small business customers.

The volume of mobile banking transactions increased by 65% year-on-year in Q2-2021. The value of merchant acquiring transactions on Unified Payments Interface (UPI) increased by 287% year-on-year in Q2-2021. Digital channels like internet, mobile banking, POS and others accounted for over 90% of the savings account transactions in the six months ended September 30, 2020 (H1-2021).

Asset quality

During the quarter, the gross additions to NPAs were ₹ 3,017 crore (US\$ 409 million). Recoveries and upgrades, excluding write-offs, from non-performing loans were ₹ 1,945 crore (US\$ 264 million) in Q2-2021. The net NPA ratio was 1.00% at September 30, 2020. Including loans amounting to ₹ 1,410 crore (US\$ 191 million) not classified as non-performing pursuant to the Supreme Court's interim order, the net NPA ratio would have been 1.12% at September 30, 2020 compared to 1.23% at June 30, 2020. The provision coverage on non-performing loans increased from 78.6% at June 30, 2020 to 81.5% at September 30, 2020. The fund-based and non-fund based outstanding to borrowers rated BB and below (excluding non-performing assets) decreased to ₹ 16,167 crore (US\$ 2.2 billion) at September 30, 2020 from ₹ 17,110 crore (US\$ 2.3 billion) at June 30, 2020.

Capital adequacy

The Bank's total capital adequacy at September 30, 2020, including profits for H1-2021, was 19.33% and Tier-1 capital adequacy was 17.89% compared to the minimum regulatory requirements of 11.08% and 9.08% respectively. During the quarter, the Bank raised equity capital of ₹ 15,000 crore (US\$ 2.0 billion).

Consolidated results

The consolidated profit after tax was ₹ 4,882 crore (US\$ 662 million) in Q2-2021 compared to ₹ 3,118 crore (US\$ 423 million) in Q1-2021 and ₹ 1,131 crore (US\$ 153 million) in Q2-2020. The consolidated profit after tax in Q2-2020 had a one-time additional charge due to re-measurement of accumulated deferred tax assets at the revised marginal tax rate. The consolidated return on equity was 14.2% in Q2-2021.

Consolidated assets grew by 15% year-on-year to ₹ 1,476,014 crore (US\$ 200.1 billion) at September 30, 2020 from ₹ 1,288,190 crore (US\$ 174.6 billion) at September 30, 2019.

Subsidiaries

Profit after tax of ICICI Prudential Life Insurance (ICICI Life) was ₹ 303 crore (US\$ 41 million) in Q2-2021, at a similar level compared to Q2-2020. Value of New Business (VNB) of ICICI Life was ₹ 401 crore (US\$ 54 million) in Q2-2021, at a similar level compared to Q2-2020. The new business margin increased from 21.7% in FY2020 to 27.4% in Q2-2021. Protection based annualised premium equivalent was ₹ 232 crore (US\$ 31 million) in Q2-2021 compared to ₹ 283 crore (US\$ 38 million) in Q2-2020. New business premium was ₹ 2,957 crore (US\$ 401 million) in Q2-2021 compared to ₹ 2,926 crore (US\$ 397 million) in Q2-2020. The Embedded value was ₹ 25,711 crore (US\$ 3.5 billion) at September 30, 2020 compared to ₹ 22,680 crores (US\$ 3.1 billion) at September 30, 2019.

Profit after tax of ICICI Lombard General Insurance Company (ICICI General) grew by 35% year-on-year to ₹ 416 crore (US\$ 56 million) in Q2-2021 from ₹ 308 crore (US\$ 42 million) in Q2-2020. The Gross Direct Premium Income (GDPI) of ICICI General grew by 8% to ₹ 3,189 crore (US\$ 432 million) in Q2-2021 compared to ₹ 2,953 crore (US\$ 400 million) in Q2-2020. The combined ratio was 99.7% in Q2-2021 compared to 102.6% in Q2-2020.

The profit after tax of ICICI Securities, on a consolidated basis, as per Ind AS, increased by 106% year-on-year to ₹ 278 crore (US\$ 38 million) in Q2-2021 from ₹ 135 crore (US\$ 18 million) in Q2-2020.

The profit after tax of ICICI Prudential Asset Management Company (ICICI AMC), as per Ind AS, was ₹ 282 crore (US\$ 38 million) in Q2-2021 compared to ₹ 305 crore (US\$ 41 million) in Q2-2020.

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

₹ crore

	FY 2020	Q2-2020	H1-2020	Q1-2021	Q2-2021	H1-2021
	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Net interest income	33,267	8,057	15,794	9,280	9,366	18,646
Non-interest income	15,156	3,854	7,101	2,380	3,486	5,866
- Fee income	13,711	3,478	6,517	2,104	3,139	5,243
- Dividend income from subsidiaries	1,273	377	568	187	334	521
- Other income	172	(1)	16	89	13	102
Less:						
Operating expense	21,615	5,378	10,252	4,646	5,133	9,779
Core operating profit¹	26,808	6,533	12,643	7,014	7,719	14,733
- Treasury income	1,293	341	520	3,763 ²	542 ³	4,305 ^{2,3}
Operating profit	28,101	6,874	13,163	10,777	8,261	19,038
Less:						
Covid-19 related provisions	2,725	-	-	5,550	497 ⁴	6,047
Other provisions	11,328	2,507	6,003	2,044	2,498	4,542
Profit before tax	14,048	4,367	7,160	3,183	5,266	8,448
Less:						
Provision for taxes	6,117 ⁵	3,712 ⁵	4,597 ⁵	584	1,015	1,598
Profit after tax	7,931	655	2,563	2,599	4,251	6,850

1. Excluding treasury income

2. Includes profit on sale of shareholding in insurance subsidiaries of ₹ 3,036 crore (US\$ 412 million) in Q1-2021

3. Includes profit on sale of shareholding in ICICI Securities of ₹ 305 crore (US\$ 41 million) in Q2-2021

4. The Supreme Court, in a writ petition through its interim order dated September 3, 2020 has directed that accounts which were not declared as NPA till August 31, 2020 shall not be declared as NPA till further orders. The Bank has not classified such borrower accounts as NPA at September 30, 2020. The Bank has made contingency provision on these borrower accounts at September 30, 2020. This provision is included in Covid-19 related provision

5. Includes one-time additional charge due to re-measurement of accumulated deferred tax assets at the revised marginal tax rate

6. Prior period numbers have been re-arranged wherever necessary

Summary Balance Sheet

₹ crore

	30-Sep-19	31-Mar-20	30-Jun-20	30-Sep-20
	Unaudited	Audited	Unaudited	Unaudited
Capital and Liabilities				
Capital	1,292	1,295	1,295	1,379 ¹
Employee stock options outstanding	4	3	3	3
Reserves and surplus	109,314	115,206	117,321	136,269 ¹
Deposits	696,273	770,969	801,622	832,936
Borrowings (includes subordinated debt)	151,033	162,897	164,918	136,427
Other liabilities	39,095	47,995	53,454	55,956
Total capital and liabilities	997,011	1,098,365	1,138,613	1,162,971
Assets				
Cash and balances with Reserve Bank of India	41,495	35,284	32,256	30,538
Balances with banks and money at call and short notice	30,144	83,872	88,995	106,054
Investments	223,376	249,531	301,851	289,623
Advances	613,359	645,290	631,215	652,608
Fixed assets	7,936	8,410	8,443	8,707
Other assets	80,701	75,978	75,853	75,441
Total assets	997,011	1,098,365	1,138,613	1,162,971

1. During Q2-2021, the Bank issued 418,994,413 equity shares of face value of ₹ 2 each at a price of ₹ 358 per equity share including a premium of ₹ 356 per equity share, aggregating to ₹ 15,000 crore (US\$ 2.0 billion) through Qualified Institutions Placement
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, and the impact of the Covid-19 pandemic which could result in fewer business opportunities, lower revenues, and an increase in the levels of non-performing assets and provisions, depending inter alia upon the period of time for which the pandemic extends, the remedial measures adopted by governments and central banks, and the time taken for economic activity to resume at normal levels after the pandemic, 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= ₹ 73.77