

News Release**July 25, 2020****Performance Review: Quarter ended June 30, 2020**

- **Profit after tax grew by 36% year-on-year to ₹ 2,599 crore (US\$ 344 million) in the quarter ended June 30, 2020 (Q1-2021) from ₹ 1,908 crore (US\$ 253 million) in the quarter ended June 30, 2019 (Q1-2020)**
- **Total capital adequacy ratio of 16.32% and Tier-1 capital adequacy ratio of 14.93% on a standalone basis at June 30, 2020 (including profits for Q1-2021)**
- **Core operating profit (profit before provisions and tax, excluding treasury income) grew by 15% year-on-year to ₹ 7,014 crore (US\$ 929 million) in Q1-2021**
 - **Excluding the impact of higher interest on income tax refund in the corresponding quarter last year, core operating profit grew by 18% year-on-year in Q1-2021**
- **Provisions (excluding Covid-19 related provisions and provision for tax) declined by 42% year-on-year**
- **Additional Covid-19 related provisions of ₹ 5,550 crore (US\$ 735 million) made on a prudent basis in Q1-2021 with the objective of completely cushioning the balance sheet from the impact of Covid-19**
- **Total period-end deposits crossed ₹ 8 lakh crore, total deposits were ₹ 801,622 crore (US\$ 106.2 billion) at June 30, 2020**
 - **15% growth in average current and savings account (CASA) deposits in Q1-2021; average CASA ratio was 41.0% in Q1-2021**
 - **Term deposits grew by 27% year-on-year at June 30, 2020**
- **Net non-performing asset (NPA) ratio decreased from 1.41% at March 31, 2020 to 1.23% at June 30, 2020**
- **Provision coverage ratio (excluding technical write-offs) increased from 75.7% at March 31, 2020 to 78.6% at June 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 June 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 June 30, 2020.

Profit & loss account

- The core operating profit (profit before provisions and tax, excluding treasury income) increased by 15% year-on-year to ₹ 7,014 crore (US\$ 929 million) in Q1-2021 from ₹ 6,110 crore (US\$ 809 million) in Q1-2020. The interest on income tax refund was ₹ 24 crore (US\$ 3 million) in Q1-2021 compared to ₹ 184 crore in Q1-2020 (US\$ 24 million). Excluding the interest on income tax refund, core operating profit grew by 18% year-on-year in Q1-2021
- Net interest income (NII) increased by 20% year-on-year to ₹ 9,280 crore (US\$ 1.2 billion) in Q1-2021 from ₹ 7,737 crore (US\$ 1.0 billion) in Q1-2020.
- The net interest margin was 3.69% in Q1-2021 compared to 3.87% in the quarter ended March 31, 2020 (Q4-2020) and 3.61% in Q1-2020, reflecting the higher liquidity with the Bank due to strong deposit inflows and limited credit demand due to the lockdown
- Non-interest income, excluding treasury income, was ₹ 2,380 crore (US\$ 315 million) in Q1-2021 compared to ₹ 3,247 crore (US\$ 430 million) in Q1-2020
 - Fee income was ₹ 2,104 crore (US\$ 279 million) in Q1-2021 compared to ₹ 3,039 crore (US\$ 402 million) in Q1-2020, reflecting lower business volumes and customer activity in view of the lockdown. Retail fees constituted 70% of total fees in Q1-2021
- Treasury income was ₹ 3,763 crore (US\$ 498 million) in Q1-2021 compared to ₹ 179 crore (US\$ 24 million) in Q1-2020. During Q1-2021, the Bank sold 4.0% shareholding in ICICI Lombard General Insurance (ICICI General) and 1.5% shareholding in ICICI Prudential Life Insurance (ICICI Life). The aggregate gains from these transactions were ₹ 3,036 crore (US\$ 402 million), further strengthening the balance sheet.
- Provisions (excluding Covid-19 related provisions and provision for tax) declined by 42% year-on-year to ₹ 2,044 crore (US\$ 271 million) in Q1-2021 from ₹ 3,496 crore (US\$ 463 million) in Q1-2020
- The Bank has made additional Covid-19 related provisions of ₹ 5,550 crore (US\$ 735 million) on a prudent basis in Q1-2021 with the objective of completely cushioning the balance sheet from the impact of Covid-19. The Bank held Covid-19 related provisions amounting to ₹ 8,275 crore (US\$ 1.1 billion) as of June 30, 2020. This additional provision held by the Bank is more than the requirement as per the RBI guideline dated April 17, 2020
- On a standalone basis, the profit after tax grew by 36% year-on-year to ₹ 2,599 crore (US\$ 344 million) in Q1-2021 from ₹ 1,908 crore (US\$ 253 million) in Q1-2020

Operating review

Credit growth

The year-on-year growth in domestic advances was 10% at June 30, 2020. The growth in the retail loan portfolio was 11% year-on-year at June 30, 2020. Including non-fund outstanding, retail was 54.4% of the total portfolio at June 30, 2020. Growth in the performing domestic corporate portfolio was about 8% year-on-year. Total advances increased by 7% year-on-year to ₹ 631,215 crore (US\$ 83.6 billion) at June 30, 2020 from ₹ 592,415 crore (US\$ 78.5 billion) at June 30, 2019.

Deposit growth

Total deposits increased by 21% year-on-year to ₹ 801,622 crore (US\$ 106.2 billion) at June 30, 2020. Average current account deposits increased by 20% year-on-year in Q1-2021. Average savings account deposits increased by 14% year-on-year in Q1-2021. The average CASA ratio was 41.0 % in Q1-2021 compared to 42.3% in Q4-2020 and 43.4% in Q1-2020. The period-end CASA ratio was 42.5% at June 30, 2020 compared to 45.1% at March 31, 2020 and 45.2% at June 30, 2019. Total term deposits increased by 27% year-on-year to ₹ 461,007 crore (US\$ 61.1 billion) at June 30, 2020.

The Bank had a network of 5,324 branches and 15,661 ATMs at June 30, 2020.

Digital initiatives and transactions

Since the outbreak of Covid-19, the Bank has been undertaking many digital initiatives to enable its customers to meet their banking requirements from home. During Q1-2021, the Bank introduced Video Know Your Customer (KYC) facility to on board new savings account customers including salary accounts, personal loan account customers and for those customers availing Amazon Pay Credit Card. In Video KYC, the process of verification of a prospective customer's KYC documents and signature is done via a video call, thus doing away with the need of a branch visit. This makes the whole process digital, frictionless and convenient for the customer. During Q1-2021, an online food delivery platform used ICICI Bank's "insta wallet" offering to launch its digital wallet. Recently, the Bank crossed one million users on its WhatsApp banking platform launched three months ago to enable its retail customers to undertake a range of banking requirements from home during the lockdown.

The volume of mobile banking transactions increased by 45% year-on-year in Q1-2021. The value of merchant acquiring transactions on Unified Payments Interface (UPI) increased by 258% year-on-year in Q1-2021. Digital channels like internet, mobile banking, POS and others accounted for over 90% of the savings account transactions in Q1-2021.

Asset quality

During the quarter, the gross additions to NPAs were ₹ 1,160 crore (US\$ 154 million). Recoveries and upgrades, excluding write-offs, from non-performing loans were ₹ 757 crore (US\$ 100 million) in Q1-2021. The net NPA ratio decreased from 1.41% at March 31, 2020 to 1.23% at June 30, 2020. The provision coverage on non-performing loans, excluding cumulative technical write-offs, increased from 75.7% at March 31, 2020 to 78.6% at June 30, 2020. At June 30, 2020, the fund-based and non-fund based outstanding to borrowers rated BB and below (excluding non-performing assets) was ₹ 17,110 crore (US\$ 2.3 billion) compared to ₹ 16,668 crore (US\$ 2.2 billion) at March 31, 2020.

Capital adequacy

The Bank's total capital adequacy at June 30, 2020, including profits for Q1-2021, was 16.32% and Tier-1 capital adequacy was 14.93% compared to the minimum regulatory requirements of 11.08% and 9.08% respectively.

Consolidated results

The consolidated profit after tax was ₹ 3,118 crore (US\$ 413 million) in Q1-2021 compared to ₹ 1,251 crore (US\$ 166 million) in Q4-2020 and ₹ 2,514 crore (US\$ 333 million) in Q1-2020.

Consolidated assets grew by 15% year-on-year to ₹ 1,443,576 crore (US\$ 191.2 billion) at June 30, 2020 from ₹ 1,250,472 crore (US\$ 165.6 billion) at June 30, 2019.

Subsidiaries

Value of New Business (VNB) of ICICI Life was ₹ 201 crore (US\$ 27 million) in Q1-2021 compared to ₹ 309 crore (US\$ 41 million) in Q1-2020. The new business margin increased from 21.7% in FY2020 to 24.4% in Q1-2021. Protection based annualised premium equivalent remained stable year-on-year at ₹ 214 crore (US\$ 28 million) in Q1-2021 and accounted for 26.0% of the total annualised premium equivalent in Q1-2021. New business received premium was ₹ 1,499 crore (US\$ 199 million) in Q1-2021 compared to ₹ 2,226 crore (US\$ 295 million) in Q1-2020. ICICI Life's profit after tax grew by 1% year-on-year to ₹ 288 crore (US\$ 38 million) in Q1-2021.

The Gross Direct Premium Income (GDPI) of ICICI General was ₹ 3,302 crore (US\$ 437 million) in Q1-2021 compared to ₹ 3,487 crore (US\$ 462 million) in Q1-2020. Excluding the crop segment, GDPI of ICICI General was ₹ 3,274 crore (US\$ 434 million) in Q1-2021 compared to ₹ 3,488 crore (US\$ 462 million) in Q1-2020. The combined ratio stood at 99.7% in Q1-2021 compared to 100.4% in Q1-2020. The combined ratio was 98.4% in Q1-2021 excluding ₹ 31 crore (US\$ 4 million) of impact of cyclones Amphan and Nisarga as compared to 99.7% in Q1-2020 excluding ₹ 16 crore (US\$ 2 million) of impact of cyclone Fani. ICICI General's profit after tax grew by 29% year-on-year to ₹ 398 crore (US\$ 53 million) in Q1-2021 from ₹ 310 crore (US\$ 41 million) in Q1-2020.

The profit after tax of ICICI Securities, on a consolidated basis, as per Ind AS, increased by 70% year-on-year to ₹ 193 crore (US\$ 26 million) in Q1-2021 from ₹ 114 crore (US\$ 15 million) in Q1-2020.

The profit after tax of ICICI Prudential Asset Management Company (ICICI AMC), as per Ind AS, grew by 17% year-on-year to ₹ 257 crore (US\$ 34 million) in Q1-2021 from ₹ 219 crore (US\$ 29 million) in Q1-2020.

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

₹ crore

	FY2020	Q1-2020	Q4-2020	Q1-2021
	Audited	Unaudited	Audited	Unaudited
Net interest income	33,267	7,737	8,927	9,280
Non-interest income	15,156	3,247	4,013	2,380
- Fee income	13,711	3,039	3,598	2,104
- Dividend income from subsidiaries	1,273	191	338	187
- Other income	172	17	77	89
Less:				
Operating expense	21,615	4,874	5,792	4,646
Core operating profit¹	26,808	6,110	7,148	7,014
- Treasury income	1,293	179	242	3,763 ²
Operating profit	28,101	6,289	7,390	10,777
Less:				
Covid-19 related provisions ³	2,725	-	2,725	5,550
Other provisions	11,328	3,496	3,242	2,044
Profit before tax	14,048	2,793	1,423	3,183
Less:				
Tax	6,117	885	202	584
Profit after tax	7,931	1,908	1,221	2,599

1. Excluding treasury income
2. Includes profit on sale of shareholding in subsidiaries of ₹ 3,036 crore (US\$ 402 million) in Q1-2021
3. The impact of Covid-19 pandemic on the Bank is highly uncertain and will depend on the ongoing spread of Covid-19, the effectiveness of current and future steps taken by governments and central banks to mitigate the economic impact, steps taken by the Bank and the time it takes for economic activities to return to pre-pandemic levels. The Bank's capital and liquidity position is strong and would continue to be the focus area for the Bank during this period. During Q1-2021, the Bank has made an additional Covid-19 related provision amounting to ₹ 5,550 crore (US\$ 735 million). At June 30, 2020, the Bank held Covid-19 related provision of ₹ 8,275 crore (US\$ 1.1 billion). This additional provision made by the Bank is more than requirement as per the RBI guideline dated April 17, 2020.
4. Prior period numbers have been rearranged wherever necessary

Summary Balance Sheet

₹ crore

	30-Jun-19	31-Mar-20	30-Jun-20
	Unaudited	Audited	Unaudited
Capital and Liabilities			
Capital	1,291	1,295	1,295
Employee stock options outstanding	5	3	3
Reserves and surplus	109,104	115,206	117,321
Deposits	660,732	770,969	801,622
Borrowings (includes subordinated debt)	156,720	162,897	164,918
Other liabilities	35,901	47,995	53,454
Total capital and liabilities	963,753	1,098,365	1,138,613
Assets			
Cash and balances with Reserve Bank of India	35,990	35,284	32,256
Balances with banks and money at call and short notice	29,758	83,872	88,995
Investments	219,996	249,531	301,851
Advances	592,415	645,290	631,215
Fixed assets	7,858	8,410	8,443
Other assets	77,736	75,978	75,853
Total assets	963,753	1,098,365	1,138,613

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

This announcement is not an offer of securities for sale in the United States. Any securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or any United States state securities laws, and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable United States state securities laws. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States. 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= ₹ 75.51