ICICI Group:

Performance & Strategy

May 2016

Agenda

- Indian economy
- ICICI Group

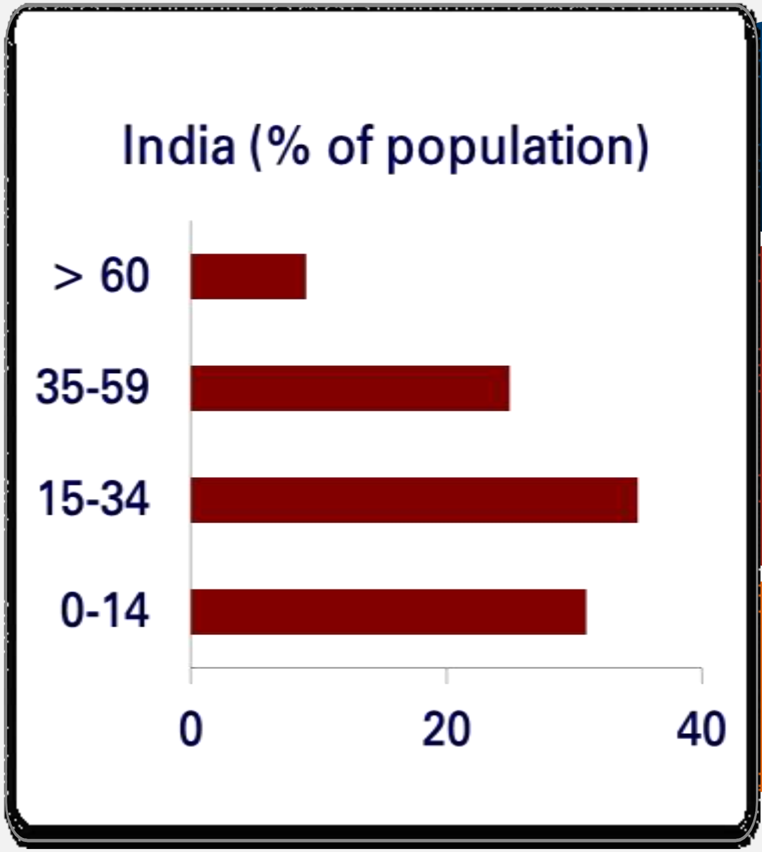
India: strong long term fundamentals

Key drivers of growth

- Favourable demographics
- Healthy savings & investment rates
- Rising per capita income
- High potential for infrastructure development

India: strong long term fundamentals

Favorable demographic profile



A young population with median age of 25 years

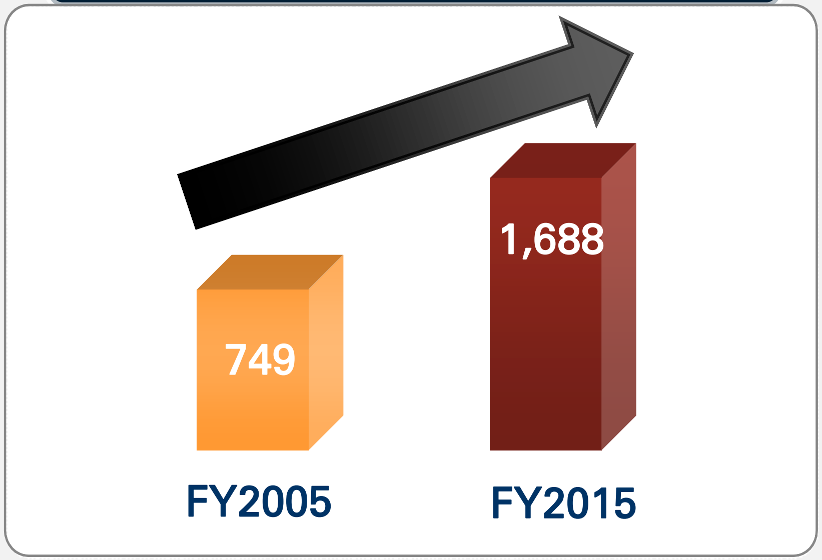
Rising share of working age population
- Addition of around 12 million to the workforce every year for next five years
- Working age population exceeds 50% of total population

Dependency ratios to remain low till 2040

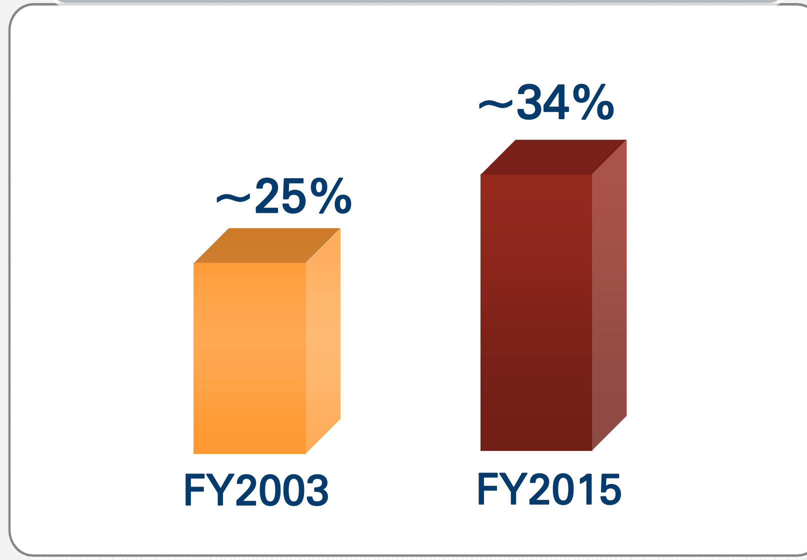
India: strong long term fundamentals

Healthy savings & investment rate

Per Capita GDP (USD)[1]



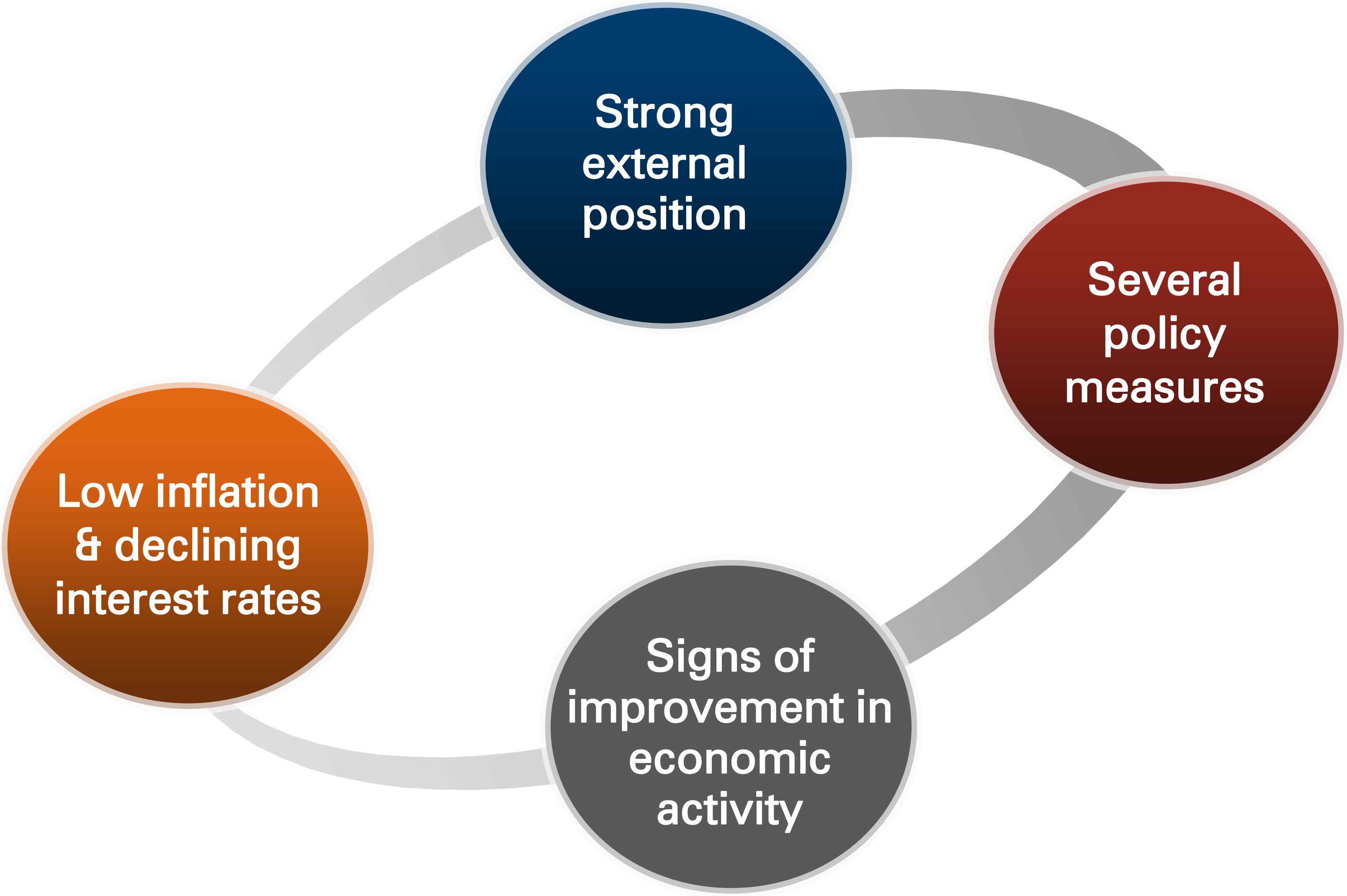
Investment rate[2]



Domestic consumption and investments driven by favourable demographics and rising income levels

1. Source: IMF
2. Source: Ministry of Statistics and Programme Implementation, Government of India

Recent trends in the Indian economy



Improvement across key parameters

Inflation & interest rates

- Inflation remained within RBI's target range; 5.4% in April 2016
- RBI reduced repo rate by 150 basis points since January 2015

Fiscal deficit

- Government adhered to the fiscal deficit target of 3.9% of GDP in FY2016; likely to continue on the fiscal roadmap of 3.5% in FY2017 and 3.0% in FY2018

External sector

- Current account deficit declined to 1.4% of GDP during 9M-2016 from a peak of 4.8% of GDP in FY2013
- Forex reserves currently at US$ 360 billion covering 12 months of imports
- FDI inflows of US$ 42.02 billion during Apr-Feb 2016 compared to US$ 35.28 billion inflows in FY2015

GDP growth

- Gradual improvement in GDP growth continued
  - Advance GDP growth estimate by CSO for FY2016 at 7.6%
- GVA growth at 7.3% in 9M-2016 with agriculture growth of 0.6%, industry 7.4%, services 9.2%
- Non-food credit growth at 10.5% at Apr 15, 2016 , growth driven by retail loans

Several policy measures announced

Foreign investments

- Introduction of composite cap in foreign investments
- FDI limits hiked for insurance, railways and defence sectors
- More economic activities brought under automatic route for foreign investments

Infrastructure

- Over 10,000 km of road projects awarded
- Selection of first 20 cities for Smart City project announced
- Renewable energy capacity target enhanced to 175 GW by 2022

Financial sector

- Indradhanush scheme announced for public sector banks
- UDAY scheme to address issues relating to state electricity boards
- Working towards strengthening resolution mechanisms and introducing Bankruptcy code
- Revised interest rates on small savings; rates to be market driven

Social sector measures

- Direct benefit transfers
- Insurance and pension schemes for Jan-Dhan a/c holders
- Launch of MUDRA plan for MSME sector
- Scheme to support start-ups

However, some concerns remain

- Growth in Index of Industrial Production remained volatile through the year; growth of 2.4% in FY2016 compared to 2.8% in FY2015
- Growth in gross capital formation remained subdued; grew by 5.2% during 9M-2016 compared to 4.7% in 9M-2015
- Global commodity price trends impacted certain sectors
- Exports have declined for 16 consecutive months
- Asset quality of banks impacted by environmental factors and RBI's objective of early and conservative recognition of stress and provisioning

Agenda

Indian economy

ICICI Group

ICICI Group

Spanning the spectrum of financial services

Strong franchise

ICICI PRUDENTIAL LIFE INSURANCE
- Sustained private sector market leadership[1]
- Strong profitability

ICICI Lombard GENERAL INSURANCE
- Sustained private sector market leadership[1]
- Healthy returns

ICICI PRUDENTIAL MUTUAL FUND
- India's largest mutual fund[1]
- Strong fund performance

ICICI Securities / ICICI Securities Primary Dealership Limited
- Largest online retail broking platform
- Strong franchises; market-linked businesses

ICICI Bank
- Strong and growing retail franchise
- Well established corporate franchise along with overseas presence

1. Based on retail weighted received premium for FY2016
2. Based on gross written premium for FY2016
3. Based on average AUM for the quarter ended March 31, 2016

ICICI Bank

Largest private sector bank in India in terms of total assets[1]

Tier I capital adequacy of 13.09% at March 31, 2016 as per RBI's guidelines on Basel III norms

Diversified loan portfolio

Large physical footprint in India: 4,450 branches and 13,766 ATMs

Leadership in technology

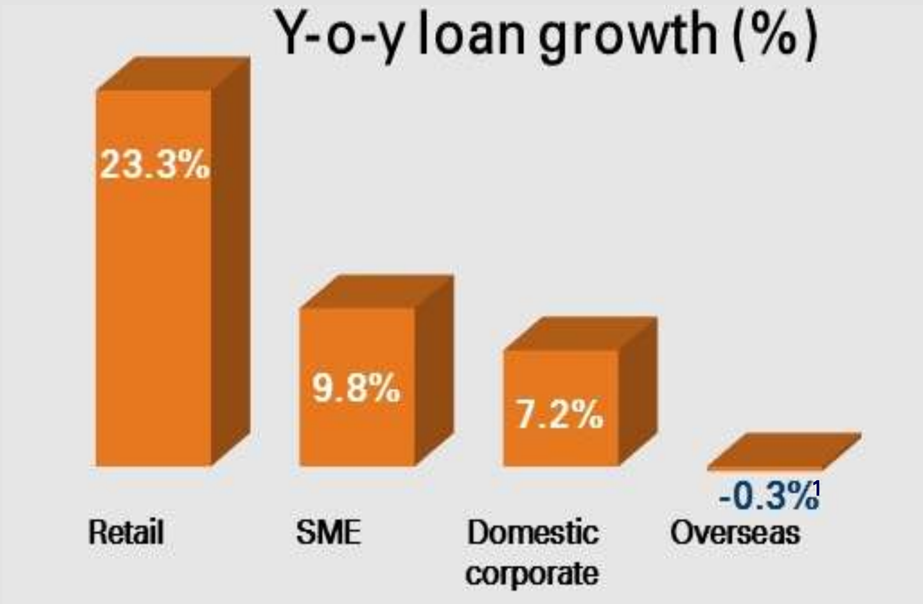
Global presence in 17 countries (including India)

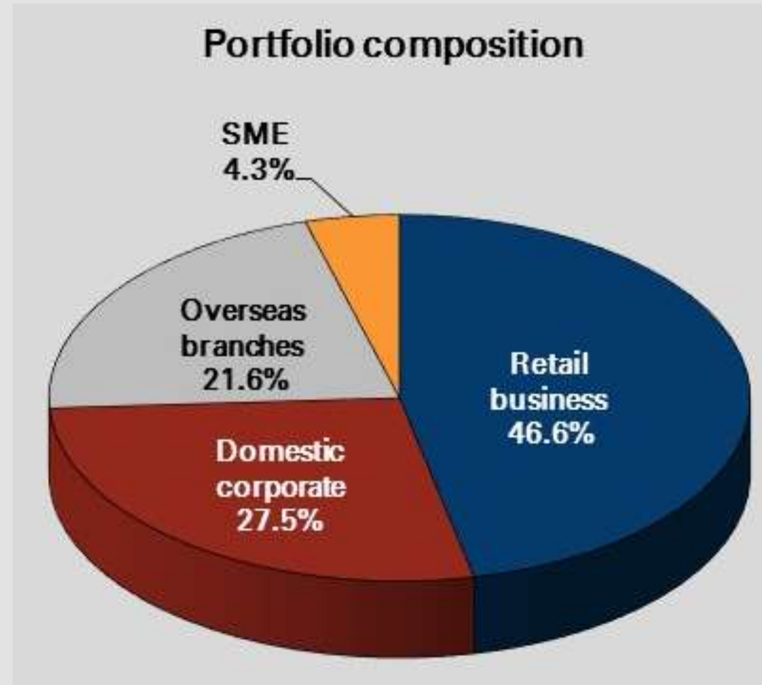
Investment grade ratings from Moody's and S&P

1. Based on consolidated assets

Performance highlights

Healthy loan growth driven by retail



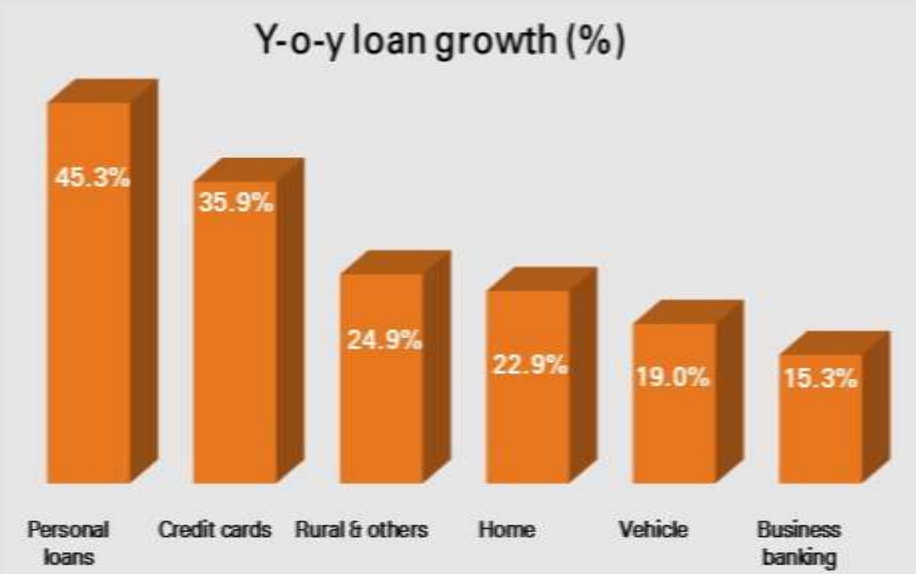


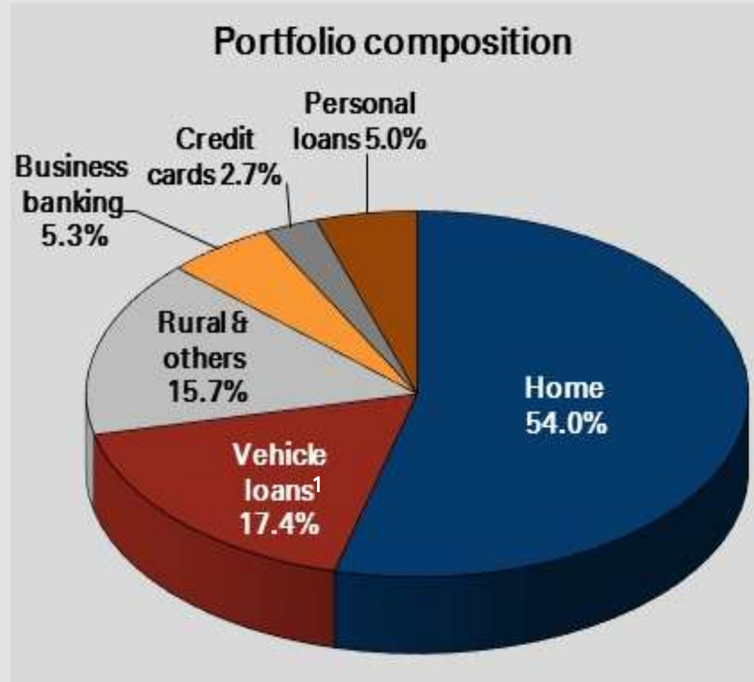
Overall loan growth at 12.3% y-o-y

Total loans at ₹ 4,353 bn at Mar 31, 2016

1. Overseas portfolio decreased by 6.0% y-o-y in US$ terms

Strong growth across retails segments





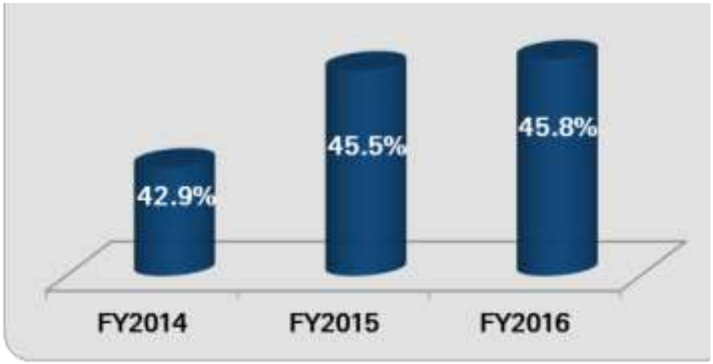
Retail loan growth at 23.3% y-o-y

Total retail loans at ₹ 2,028 bn at Mar 31, 2016

1. March 31, 2016: Vehicle loans includes auto loans 11.0%, commercial business 6.3%, two-wheeler loans 0.1%

Robust funding profile

Period-end CASA ratio



- Accretion of ₹ 193.70 billion to savings account deposits and ₹ 93.50 billion to current account deposits in FY2016

16.6% y-o-y growth in total deposits; proportion of retail deposits continues to be healthy at about 74%

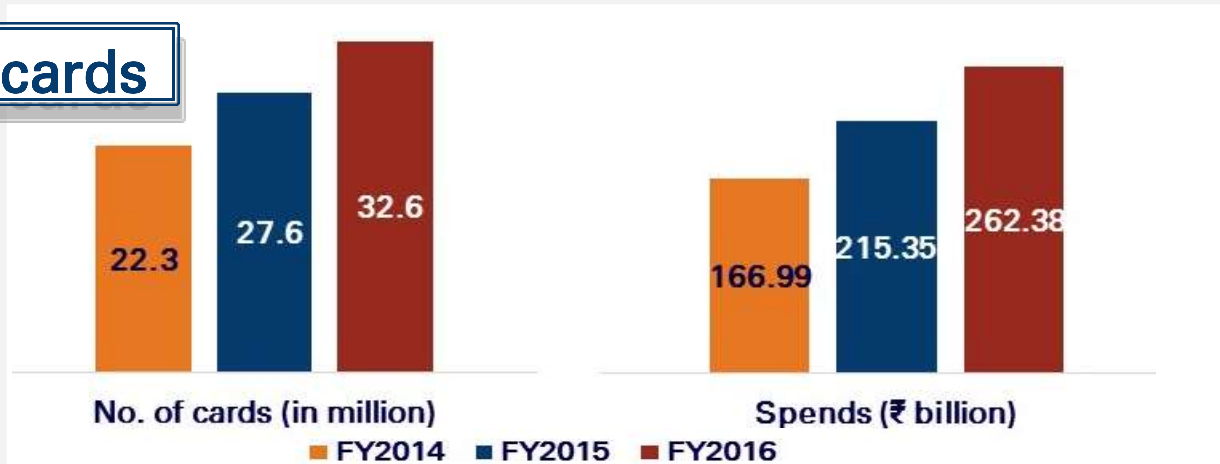
17.2% y-o-y growth in average CASA deposits in Q4-2016; average CASA ratio improved from 39.5% in FY2015 at 40.7% in FY2016

Balance sheet: slide 32

Technology leadership

Growing payments franchise

Debit cards



Credit cards

Technology leadership

Best-in-class mobile application

iMobile

- More than 140 services
- Industry first features:
  - Favourites for faster transactions
  - Chat services & authenticated call
  - Rail ticket booking
  - Touch ID Login & Watch Banking
  - Forex purchases
- Only Bank to offer insta-banking facility on mobile

Technology leadership

Innovative offerings to improve customer convenience

India's First Digital Bank: over 3.6 million downloads

Significant interest from non-ICICI Bank customers

- Amongst the top 4 wallet apps in terms of time spent on the app[1]
- Only bank app to figure in the top wallet apps

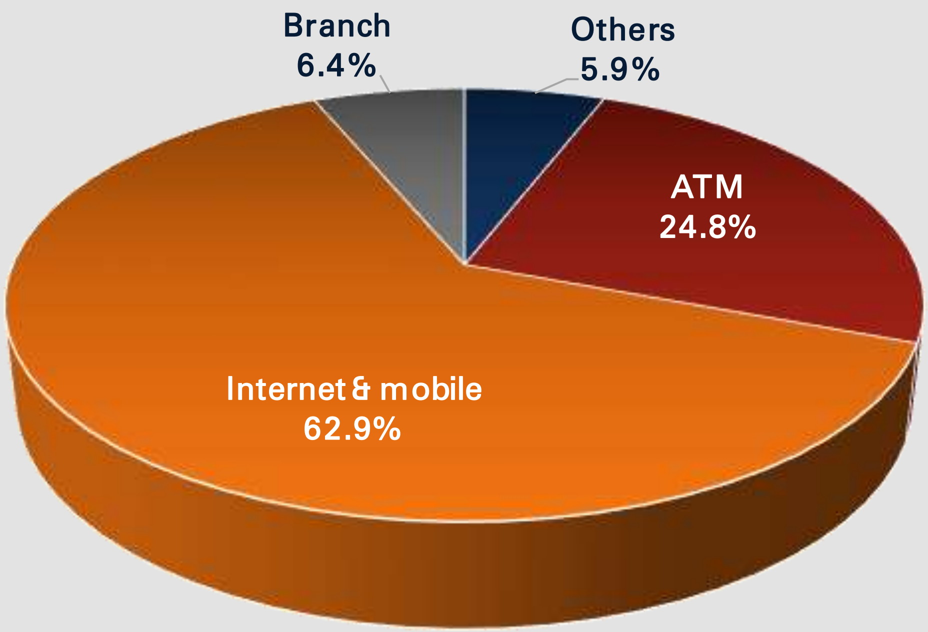
Presence on social media

- Banking services available on Facebook and Twitter
- Fan base of over 4.7 million on Facebook

1. As per Nielsen Whitepaper on Wallets

Technology leadership

Adoption of digital offerings



Channel mix of transactions for FY2016

Way forward

Continue to rollout technology initiatives with focus on

- Innovation
- Customer experience
- Cross-sell
- Operating efficiency
- Analytics

1. Financial and non-financial transactions of savings account customers
2. Includes touch banking, phone banking & debit cards POS transactions

Credit quality (1/2)

Trends impacted by environmental factors and RBI's objective of early and conservative recognition of stress and provisioning

₹ billion	March 31, 2015	March 31, 2016
Gross NPAs	152.42	267.21
Less: cumulative provisions	89.17	134.24
Net NPAs	63.25	132.97
Net NPA ratio	1.40%	2.67%

Provisioning coverage ratio at 61.0% including cumulative technical/ prudential write-offs; 50.6% excluding cumulative technical/ prudential write-offs

Credit quality (2/2)

NPA and restructuring trends

₹ billion	March 31, 2015	March 31, 2016
Net NPAs (A)	63.25	132.97
Net restructured loans (B)	110.17	85.73
Total (A+B)	173.42	218.70
Total as a % of net customer assets	3.84%	4.40%

Impact of Reserve Bank of India (RBI) Asset Quality Review fully considered

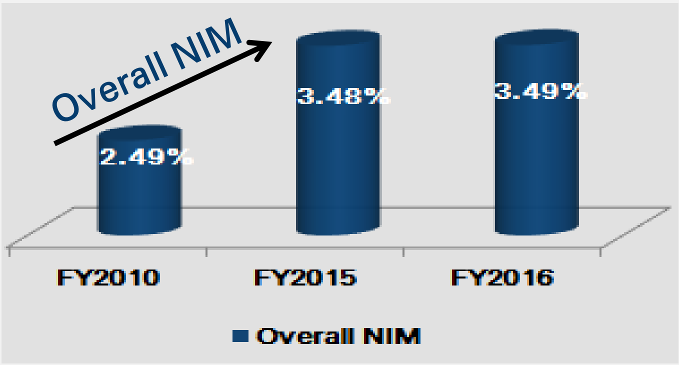
Further, the Bank has made a collective contingency and related reserve of ₹ 36.00 billion during Q4-2016 on a prudent basis towards exposure to certain sectors

This is over and above provisions made for non-performing and restructured loans as per RBI guidelines

Portfolio trends and approach: slide 34

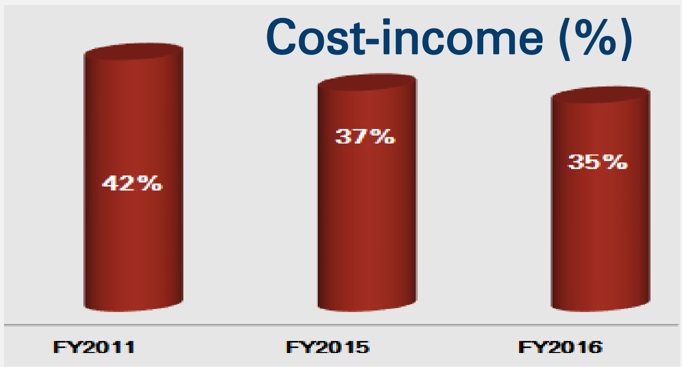
Operating performance

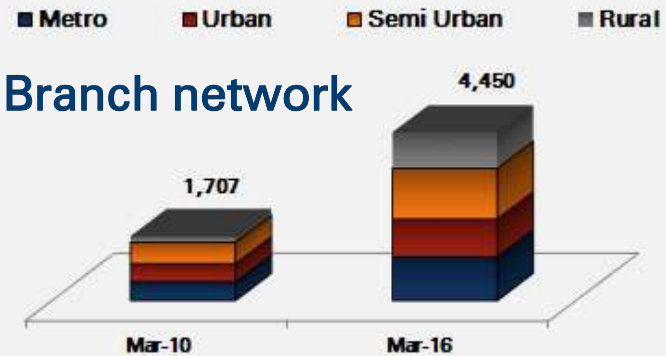
Granular revenue streams



- Margin focus across businesses
  - Domestic margins improved by ~90 bps since FY2010
  - Overseas margins improved from 0.41% in FY2010 to 1.86% in FY2016
- Margins were lower in Q4-2016 primarily on account of non-accrual of interest income on high NPAs

Healthy operating efficiency





Profit & loss statement: slide 43

Key ratios: slide 45

Significant value in subsidiaries

Commenced value unlocking in H2-2016

ICICI Life

- Sale of 4.0% shareholding to Hasham Traders (Premji Investments) and 2.0% to Temasek
- Company valuation at ₹ 325.00 bn

ICICI General

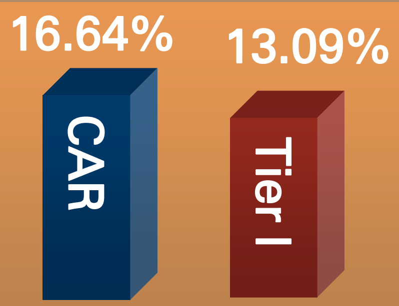
- Sale of 9.0% shareholding to joint venture partner Fairfax Financial Holdings
- Company valuation at ₹ 172.25 bn

Aggregate pre-tax gain of ₹ 33.74 billion in FY2016

- Insurance holdings valued at about ₹ 330.00 billion based on concluded transactions
- Further, significant value in other domestic subsidiaries

Strong capital position

Standalone



March 31, 2016

- Capital ratios significantly higher than regulatory requirements
- Tier-1 capital is composed almost entirely of core equity capital
- Substantial scope to raise Additional Tier-1 and Tier-2 capital

Excess Tier-1 ratio of 5.46% over the minimum requirement of 7.63% as per current RBI guidelines

Assuming Tier-1 ratio at 10.00%, surplus capital of about ₹ 190.00 billion at Mar 31, 2016

Way forward: 4x4 agenda

Portfolio quality		
	Monitoring focus	Improvement in portfolio mix
	Concentration risk reduction	Resolution of stress cases

Enhancing franchise		
	Robust funding profile	Digital leadership & strong customer franchise
	Continued cost efficiency	Focus on capital efficiency including value unlocking

In summary (1/3)

1. Positive indicators in some sectors e.g. roads, logistics, railways, defence expected to lead to credit demand
2. We will grow by selectively capturing these opportunities
3. Limit framework in place for enhanced management of concentration risk
4. Continuing momentum in retail lending
5. Loan growth backed by strong funding profile and customer franchise

In summary (2/3)

6. Maintaining leadership in digital and technology-enabled customer convenience

7. Close monitoring of existing portfolio with focus on resolution and reduction of vulnerable exposures

8. The Bank will provide a quarterly update on key exposures

9. Created collective contingency and related reserve of ₹ 36.00 billion

In summary (3/3)

10 Strong capital base with Tier-1 capital adequacy of 13.09%

11 Substantial value creation in subsidiaries

Thank you

Balance sheet: assets

₹ billion	March 31, 2015	December 31, 2015	March 31, 2016	Y-o-Y growth
Cash & bank balances	423.05	377.00	598.69	41.5%
Investments	1,581.29	1,635.43	1,604.12	1.4%
- SLR investments	*1,056.02*	*1,147.71*	*1,104.06*	*4.5%*
- Equity investment in subsidiaries	*110.89*	*110.32*	*107.63*	*(2.9)%*
Advances	3,875.22	4,348.00	4,352.64	12.3%
Fixed & other assets	581.74	662.08	651.50	12.0%
- RIDF [1] and related	*284.51*	*289.37*	*280.66*	*(1.3)%*
Total assets	**6,461.29**	**7,022.51**	**7,206.95**	**11.5%**

Net investment in security receipts of asset reconstruction companies was ₹ 6.24 billion at March 31, 2016 (December 31, 2015: ₹ 6.39 billion)

1. Pursuant to RBI guideline dated July 16, 2015, the Bank has, effective the quarter ended June 30, 2015, re-classified deposits placed with NABARD, SIDBI and NHB on account of shortfall in lending to priority sector from 'Investments' to 'Other Assets'.
2. Rural Infrastructure Development Fund

Balance sheet: liabilities

₹ billion	March 31, 2015	December 31, 2015	March 31, 2016	Y-o-Y growth
Net worth	804.29	895.92	897.36	11.6%
- Equity capital	*11.60*	*11.63*	*11.63*	*0.3%*
- Reserves	*792.70*	*884.30*	*885.66*	*11.7%*
Deposits	3,615.63	4,073.14	4,214.26	16.6%
- Savings	*1,148.60*	*1,269.18*	*1,342.30*	*16.9%*
- Current	*495.20*	*571.81*	*588.70*	*18.9%*
Borrowings[1,2]	1,724.17	1,771.61	1,748.07	1.4%
Other liabilities	317.20	281.84	347.26	9.5%
Total liabilities	**6,461.29**	**7,022.51**	**7,206.95**	**11.5%**

Credit/deposit ratio of 83.2% on the domestic balance sheet at March 31, 2016

1. Borrowings include preference shares amounting to ₹ 3.50 billion
2. Including impact of exchange rate movement

Funding profile: slide 17

Portfolio composition over the years

% of total advances	March 31, 2011	March 31, 2012	March 31, 2013	March 31, 2014	March 31, 2015	March 31, 2016
Retail	39.3%	38.0%	37.0%	39.0%	42.4%	46.6%
Domestic corporate	28.2%	28.6%	32.5%	30.1%	28.8%	27.5%
SME	7.0%	6.0%	5.2%	4.4%	4.4%	4.3%
International[1]	25.5%	27.4%	25.3%	26.5%	24.3%	21.6%
Total advances (₹ billion)	**2,163**	**2,537**	**2,902**	**3,387**	**3,875**	**4,353**

1. Including impact of exchange rate movement

Sector-wise exposures

Top 10 sectors[1]: % of total exposure of the Bank	March 31, 2011	March 31, 2012	March 31, 2013	March 31, 2014	March 31, 2015	March 31, 2016
Retail finance	17.4%[2]	16.2%[2]	18.9%	22.4%	24.7%	27.1%
Banks	9.8%	10.1%	8.8%	8.6%	7.8%	8.0%
Electronics & Engineering	7.8%	8.1%	8.3%	8.2%	7.6%	7.3%
Road, port, telecom, urban development & other infra	5.8%	5.8%	6.0%	6.0%	5.9%	5.8%
Crude petroleum/refining & petrochemicals	5.8%	5.5%	6.6%	6.2%	7.0%	5.7%
Power	7.1%	7.3%	6.4%	5.9%	5.5%	5.4%
Services - finance	6.6%	6.6%	6.0%	4.9%	4.2%	4.9%
Services - Non finance	5.3%	5.5%	5.1%	5.2%	5.0%	4.9%
Iron/Steel & Products	5.1%	5.2%	5.1%	5.0%	4.8%	4.5%
Construction	3.8%	4.3%	4.2%	4.4%	4.0%	3.4%
Total exposure of the Bank (₹ billion)	**6,184**	**7,133**	**7,585**	**7,828**	**8,535**	**9,428**

1. Top 10 based on position at March 31, 2016
2. Figures may not be fully comparable with subsequent periods due to certain reclassifications effective 2013

There are uncertainties in respect of certain sectors due to:

- Weak global economic environment
- Sharp downturn in the commodity cycle
- Gradual nature of the domestic economic recovery
- High leverage

- Among the top 10 sectors, power and iron & steel sectors are the key sectors in this context
- Beyond the top 10 sectors, mining, cement and rigs sectors are the key sectors in this context

Exposure to key sectors (1/2)

% of total exposure of the Bank	March 31, 2011	March 31, 2012	March 31, 2013	March 31, 2014	March 31, 2015	March 31, 2016
Power	7.1%	7.3%	6.4%	5.9%	5.5%	5.4%
Iron/Steel	5.1%	5.2%	5.1%	5.0%	4.8%	4.5%
Mining	1.4%	2.0%	1.7%	1.7%	1.5%	1.6%
Cement	1.6%	1.2%	1.4%	1.4%	1.5%	1.2%
Rigs	0.6%	0.5%	0.5%	0.8%	0.5%	0.6%

Exposure to key sectors (2/2)

- Proportion of exposure to key sectors gradually decreasing over the last three years
- Net increase in exposure to key sectors of about ₹ 59.40 billion in FY2016 was entirely in A- and above category

Further drilldown: approach

1. All internally 'below investment grade' rated companies in key sectors across domestic corporate, SME and international branches portfolios
2. Promoter entities internally 'below investment grade' where the underlying is partly linked to the key sectors
3. Fund-based limits and non-fund based outstanding to above categories considered
4. SDR and 5/25 refinancing included
5. Loans already classified as restructured and non-performing excluded

Further drilldown: exposure

₹ billion	Exposure[1,2] at March 31, 2016	% of total exposure of the Bank
Power	119.60	1.3%
Mining	90.11	1.0%
Iron/Steel	77.76	0.8%
Cement	66.43	0.7%
Rigs	25.13	0.3%
Promoter entities[3]	61.62	0.7%

Net reduction of about ₹ 20.00 billion[4] in FY2016 in exposure to companies covered above

1. Aggregate fund based limits and non-fund based outstanding
2. Excludes central public sector owned undertaking
3. Promoter entities where underlying is partly linked to the key sectors
4. Excluding impact of currency depreciation
5. In addition, about ₹ 20 billion of non-fund based exposure to borrowers already classified as non-performing needs to be closely monitored for potential devolvement

Our approach

1. Working with borrowers for reduction and resolution of exposure through asset sales and deleveraging

2. Created collective contingency and related reserve of ₹ 36.00 billion

3. Strong Tier-1 capital adequacy of 13.09% with substantial scope to raise Additional Tier-1 and Tier-2 capital

4. Substantial value in subsidiaries
   - Insurance holdings valued at about ₹ 330.00 billion based on concluded transactions
   - Further, significant value in other domestic subsidiaries

Way forward

The Bank has a monitoring and action plan with focus on reducing these exposures

The Bank will provide a quarterly update on these exposures

Credit quality: slide 23

Profit & loss statement (1/2)

₹ billion	FY2015	Q4-2015	Q3-2016	Q4-2016	FY2016	Q4-o-Q4 growth
NII	190.40	50.79	54.53	54.05	212.24	6.4%
Non-interest income	121.76	34.96	42.17	51.09	153.22	46.1%
- Fee income	*82.87*	*21.37*	*22.62*	*22.12*	*88.20*	*3.5%*
- Other income[1]	*21.96*	*6.33*	*5.13*	*7.07*	*24.42*	*11.7%*
- Treasury income[2]	*16.93*	*7.26*	*14.42*	*21.90*	*40.60*	*-*
Total income	**312.16**	**85.75**	**96.70**	**105.14**	**365.46**	**22.6%**
Operating expenses	114.96	31.07	31.10	34.06	126.83	9.6%
Operating profit	**197.20**	**54.68**	**65.60**	**71.08**	**238.63**	**30.0%**

1. Includes net foreign exchange gains relating to overseas operations of ₹ 6.42 billion in FY2015, ₹ 1.82 billion in Q4-2015, ₹ 1.43 billion in Q3-2016, ₹ 2.61 billion in Q4-2016 and ₹ 9.41 billion in FY2016
2. Includes profit on sale on shareholding in ICICI Life and ICICI General of ₹ 21.31 billion in Q4-2016 and ₹ 33.74 billion in FY2016

Profit & loss statement (2/2)

₹ billion	FY2015	Q4-2015	Q3-2016	Q4-2016	FY2016	Q4-o-Q4 growth
Operating profit	**197.20**	**54.68**	**65.60**	**71.08**	**238.63**	**30.0%**
Provisions	39.00	13.45	28.44	33.26	80.67	-
Profit before collective contingency and related reserve and tax	**158.20**	**41.24**	**37.16**	**37.82**	**157.96**	**(8.3)%**
Collective contingency and related reserve	-	-	-	36.00	36.00	-
Profit before tax	**158.20**	**41.24**	**37.16**	**1.82**	**121.96**	**(95.6)%**
Tax	46.45	12.02	6.98	(5.20)	24.70	-
Profit after tax	**111.75**	**29.22**	**30.18**	**7.02**	**97.26**	**(76.0)%**

Operating performance: slide 24

Key ratios

Percent	FY2015	Q4-2015	Q3-2016	Q4-2016	FY2016
Return on average networth[1]	14.3	14.6	13.6	3.2	11.3
Return on average assets[1]	1.86	1.92	1.82	0.41	1.49
Weighted average EPS[1]	19.3	20.5	20.7	4.9	16.8
Book value[1] (₹)	139	139	154	154	154
Fee to income	26.5	24.9	23.4	21.0	24.1
Cost to income	36.8	36.2	32.2	32.4	34.7
Average CASA ratio	39.5	39.9	40.7	40.5	40.7

1. Annualised for all interim periods

Operating performance: slide 24