



ICICI Group:

Performance & Strategy

November 2015

Certain statements in these slides are forward-looking statements. These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from those included in these statements due to a variety of factors. More information about these factors is contained in ICICI Bank's filings with the US Securities and Exchange Commission.

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

Indian economy & banking sector

Key drivers of growth

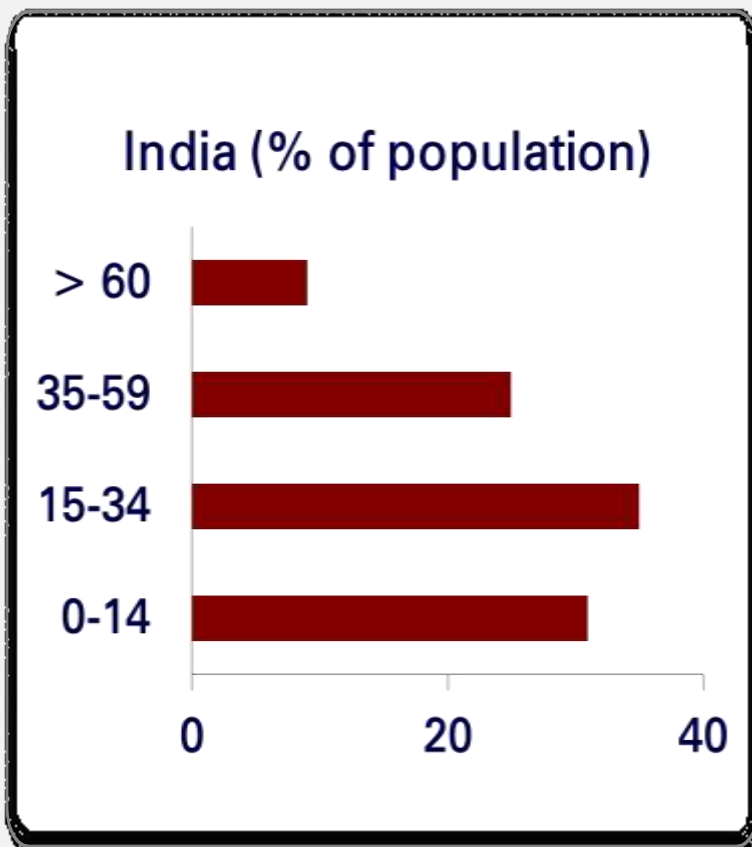
Favourable demographics

Healthy savings & investment rates

Rising per capita income

High potential for infrastructure development

Favorable demographic profile



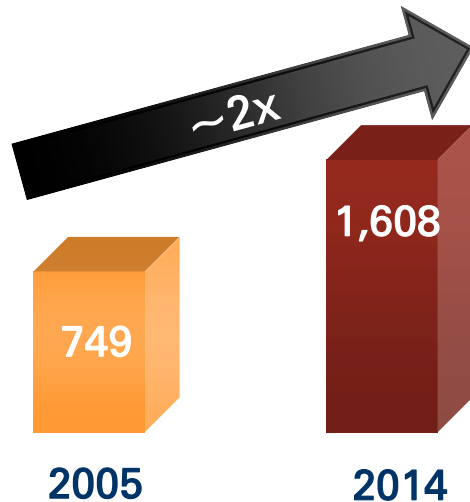
A young population with median age of 25 years

- Rising share of working age population
- Addition of around 12 million to the workforce every year for next five years
 - Working age population to exceed 50% of total population in 2025

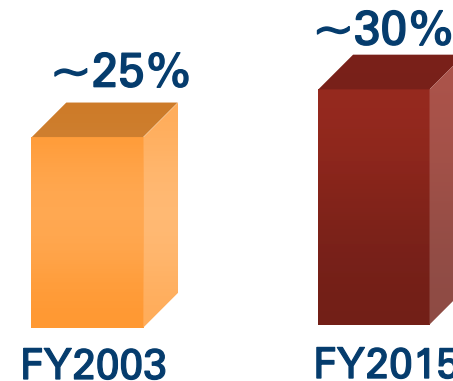
Dependency ratios to remain low till 2040

Healthy savings & investment rate

Per Capita GDP (USD)¹



Investment rate²



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

Under penetrated sector

Growth potential

- Bank credit / GDP: ~59%
- Retail credit / GDP: ~10%
- Mortgage / GDP: ~5%

Funding profile

- High proportion of deposit funding
- Conservative equity to assets

Asset profile

- 21.5% of net demand and time liabilities (NDTL) invested in government securities
- 4.00% of NDTL as cash reserve ratio with RBI
- Domestic oriented balance sheets

Conservative regulatory framework

Capital adequacy

- Average capital adequacy for the system ~13%¹
- Implementation of Basel III in FY2014
 - Capital requirements 1% higher as compared to BCBS

Asset classification

- From April 1, 2015 loan restructurings lead to the asset being classified as non-performing, other than for project loans

1. Source: Reserve Bank of India

ICICI Bank: an overview

Largest private sector bank in India in terms of total assets¹

Tier I capital adequacy of 12.84% at September 30, 2015² as per RBI's guidelines on Basel III norms

Diversified loan portfolio

Large customer base

Global presence in 17 countries (including India)

Investment grade ratings from Moody's and S&P

1. Based on consolidated total assets
2. Including profits for H1-2016

ICICI Bank: focus & objectives

Balance sheet strength

- Robust funding profile
- Diversified loan mix with increasing share of retail

Profitability improvement

- Granular & stable income streams
- Efficiency of operations

Achieved sustained improvement in return ratios

Balance sheet strength

- Robust funding profile
- Diversified loan mix with increasing share of retail
- *Leverage capital for growth*

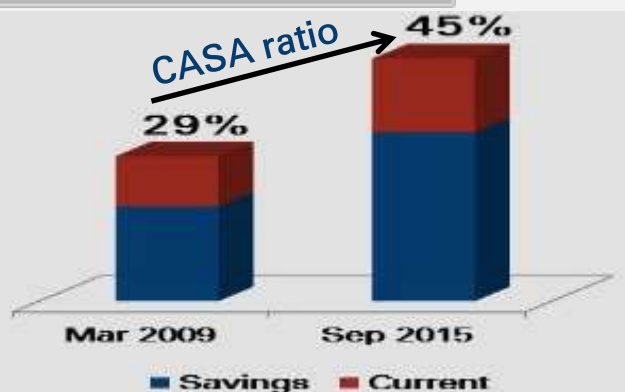
Profitability improvement

- Granular & stable income streams
- Efficiency of operations
- *Normalisation of credit costs*

Focus on improvement in return on equity

Healthy balance sheet growth

Robust funding profile



- ~17% CAGR in CASA deposits since Mar 2009
- Retail deposits as % of domestic deposits increased from ~50% at Mar 2009 to ~77% at Sep 2015

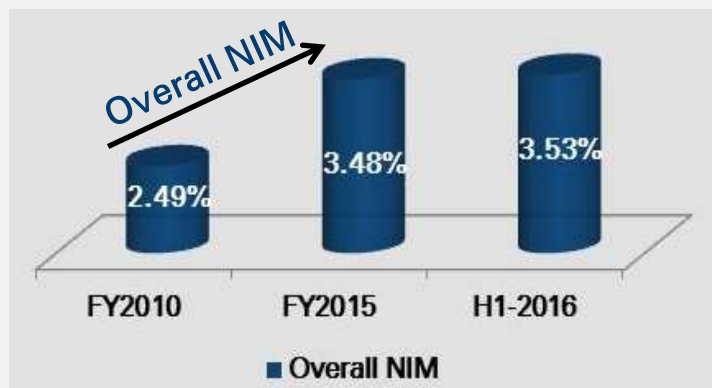
Diversified loan mix



- ~16% CAGR in domestic loans since Mar 2011
 - ~21% CAGR in retail loans since Mar 2012

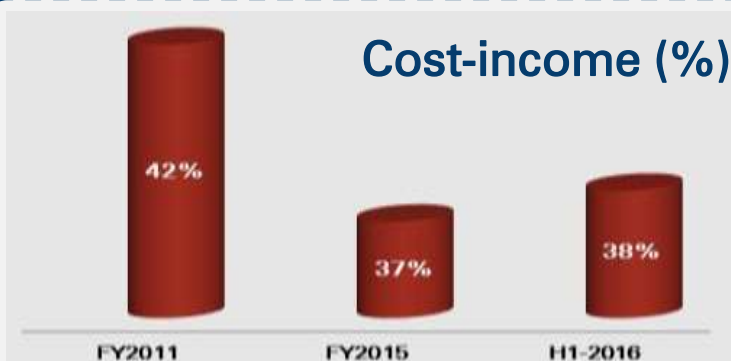
Strong core operating performance

Granular revenue streams

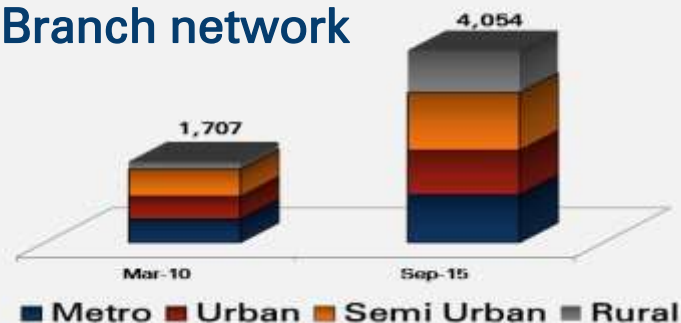


- Margin improvement driven by focus across businesses
 - Domestic margins improved by ~90 bps since FY2010
 - Overseas margins improved from 0.41% in FY2010 to 1.65% in FY2015 and 1.94% in H1-2016

Improvement in operating efficiency



Branch network



Sustained improvement in return ratios



- About 90 bps improvement in Standalone RoA over FY2009
- Consolidated RoE improved from less than 8% in FY2009 to 15.2% in H1-2016

Driven by focused execution of articulated strategy

Operating performance remained robust; healthy funding profile and strong retail portfolio growth maintained

NII grew by 13%

Y-o-Y growth in fee income improved

- NIM improved by 10 bps y-o-y to 3.52%
- Retail fee growth remained healthy
- Continued dividend from subsidiaries

Operating efficiency

- Cost-to-income ratio at 37.7% in H1-2016 compared to 37.5% in H1-2015



Profit & loss statement



Balance sheet



Key ratios

Asset quality trends

₹ billion	FY2014	FY2015	H1-2016
Gross NPA additions	45.40	80.78	38.58
<i>Of which: slippages from restructured loans</i>	<i>7.27</i>	<i>45.29</i>	<i>12.15</i>
Restructuring additions	66.33	53.94	20.89

Credit costs to average loans (annualised) at 96 basis points in H1-2016 compared to 109 basis points in FY2015

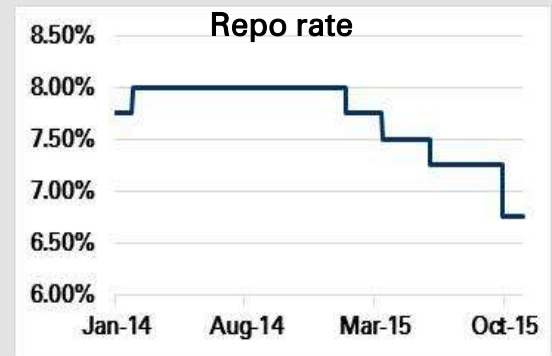
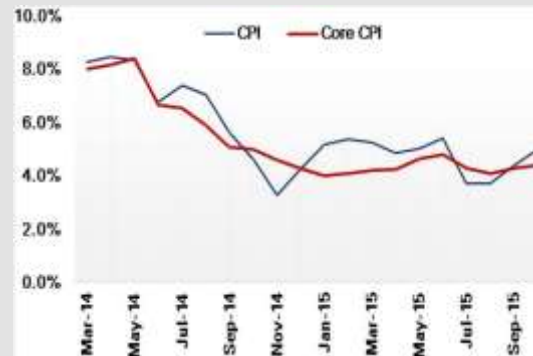
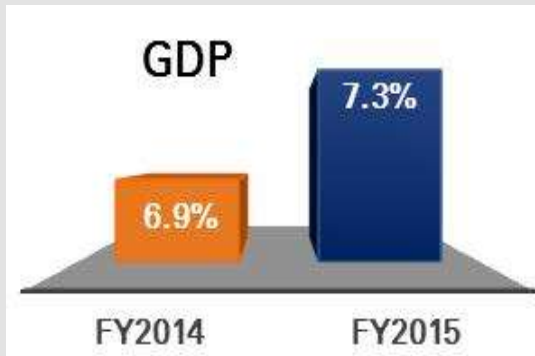
Standalone RoA at 1.89%

**Consolidated RoE improved from 15.0% in Q1-2016
to 15.3% in Q2-2016**

Looking ahead

Renewed optimism regarding India's growth prospects

Signs of improvement in economic indicators



- However, positive trends in private sector cash flows & investments yet to be seen

- CPI inflation at 5.0% in October 2015; core CPI¹ inflation at 4.1%

- RBI cut repo rate by 125 bps between January-October 2015

1. Excluding food and fuel

Revival in economic growth will present several opportunities

Focus on manufacturing, infrastructure & urbanisation

Opportunities across all financial services businesses

Rising incomes & positive demographics

Continued opportunities for retail financial services

Buoyancy in markets & capital flows into India

Opportunities for insurance, asset management, securities & private equity



Spanning the spectrum of financial services

Strong franchise across business segments



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



- Sustained private sector market leadership
- RoE > 30%



- Sustained private sector market leadership
- RoE ~ 20%

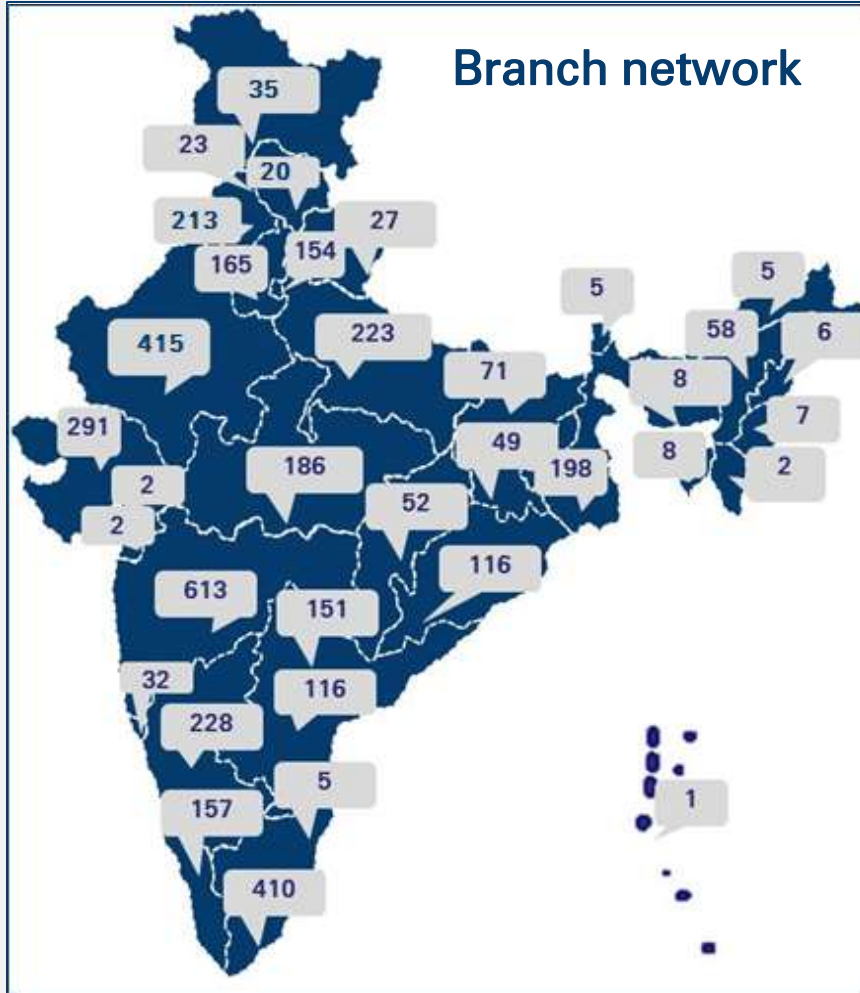


- Improved market position
- Strong fund performance



- Strong franchises capitalising on favourable markets
- Focus on profitability

Significant investments made in distribution



~52% of branches in semi-urban and rural areas

Supplemented by
~13,000 ATMs

Focus on cross-sell along
with customer service at
branches

Leadership in technology

Key initiatives: focus on customer experience



**24*7 Touch Banking
branches**



**Refreshed & intuitive
internet banking
website**



**Rich
mobile
banking
app**



India's First Digital Bank

**e-wallet for all - whether
customer or not**



**Banking on
Social
media**

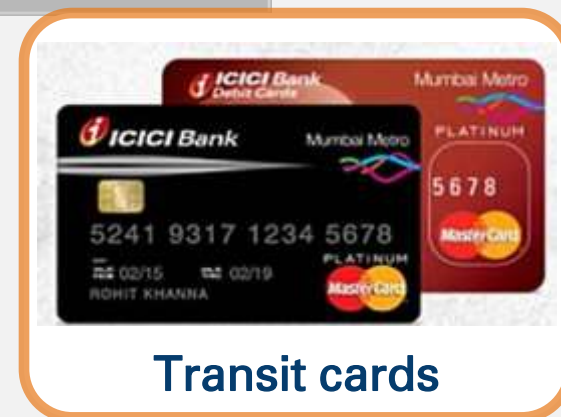


Leadership in technology

Key initiatives: focus on payments



Contactless cards



Transit cards



i-Bizz

Trade online

FX online



Corporate clients

Dedicated solutions for government clients

e-Auction

Strong capital position

Standalone capital

16.90%



12.84%



September 30, 2015¹

Consolidated Basel III total capital adequacy ratio at 16.87%, Tier 1 ratio at 12.77% at September 30, 2015¹

1. Basel III capital ratios include profits for H1-2016

Sustain strong funding profile

Focus on leveraging investments made so far

Expanded branch network

Significant investments made in technology

Focus on sustaining average CASA ratio in 38-40% range

Sustain domestic loan growth of 3-4% higher than banking system

Continue focus on diversification & granularity

Retail assets: segment wise priorities

Home loans

- Sustain momentum while maintaining healthy mix

Vehicle loans

- Auto: Focus on improving profitability
- CV: Recovery in economic activity to provide push

Business banking loans

- Focus on scaling up growth; closely linked to current account deposits

Unsecured loans

- Continue to grow while monitoring risks

Targeting continued strong portfolio growth

Key priorities going forward

Focus on rural & semi-urban markets

Network

Branches

Gramin Branches

BCs & CSPs

Partner linkages

2,108 branches

Diverse product suite

~14% of retail loans

~30% y-o-y growth in
Q2-2016

Approach to lending

Selective geographical
approach

Collateral based
lending

Granular portfolio

Focus on growth to continue while monitoring risks

Corporate & SME lending: selective approach to credit growth

- Focus on granular lending
- Increase lending to high rated clients
- Continued close monitoring and proactive action

International business: focus on profitability and returns

Branches

Lending primarily to Indian corporates

- Growth calibrated to global funding markets & Indian corporate credit demand
- Focus on commercial banking, including working capital lines for Indian companies abroad & MNCs engaged in trade with India
- Non-resident Indians a key customer segment

Subsidiaries

Investments reduced to <6% of net worth

- Continued focus on optimising capital
- Focus on working capital lines, trade & transaction banking products to MNCs, select local market corporates & Indian companies abroad

Sustained focus on strengthening franchise

Achieved significant improvement in balance sheet & operating parameters

2009 onwards

Driving structural improvements

Scaled up retail business; continued investments in distribution & technology

2011 onwards

Focus on growth; enhancing franchise

In summary: key priorities

Continue to expand retail & rural franchise

Maintain technology leadership

Sustain operating efficiency

Selectively grow corporate portfolio

Leverage strong capital position & improve efficiency

Focus on profitability of subsidiaries & return on capital

Targeting 17-18% consolidated RoE

Thank you

Profit & loss statement

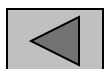
₹ billion	FY2014	FY2015	H1-2015	H1-2016	H1-o-H1 growth
NII	164.75	190.40	91.49	103.66	13.3%
Non-interest income	104.28	121.76	55.88	59.97	7.3%
- Fee income	77.58	82.87	40.39	43.45	7.6%
- Other income ¹	16.53	21.96	10.24	12.23	19.4%
- Treasury income	10.17	16.93	5.25	4.29	(18.3)%
Total income	269.03	312.16	147.37	163.63	11.0%
Operating expenses	103.09	114.96	55.22	61.67	11.7%
Operating profit	165.94	197.20	92.15	101.96	10.6%

1. Includes net foreign exchange gains relating to overseas operations of ₹ 2.22 billion in FY2014, ₹ 6.42 billion in FY2015, ₹ 2.68 billion in H1-2015 and ₹ 5.37 billion in H1-2016.



Profit & loss statement

₹ billion	FY2014	FY2015	H1-2015	H1-2016	H1-o-H1 growth
Operating profit	165.94	197.20	92.15	101.96	10.6%
Provisions	26.26	39.00	15.76	18.98	20.4%
Profit before tax	139.68	158.20	76.39	82.98	8.6%
Tax	41.58	46.45	22.75	22.92	0.7%
Profit after tax	98.10	111.75	53.64	60.06	12.0%

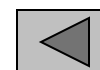


Balance sheet: Assets

₹ billion	March 31, 2014	March 31, 2015	September 30, 2014	September 30, 2015	Y-o-Y growth
Cash & bank balances	415.30	423.05	473.78	315.45	(33.4)%
Investments	1,770.22	1,865.80	1,495.02	1,541.90	3.1%
- SLR investments	951.65	1,056.02	997.25	1,115.40	11.8%
- Equity investment in subsidiaries	120.23	110.89	120.23	110.89	(7.8)%
Advances	3,387.03	3,875.22	3,617.57	4,096.93	13.3%
Fixed & other assets ¹	622.07	581.74	525.06	616.28	17.4%
- RIDF ² and related	248.19	284.51	240.89	292.34	21.4%
Total assets	5,946.42	6,461.29	6,111.43	6,570.56	7.5%

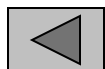
1. Pursuant to RBI guideline dated July 16, 2015, the Bank has, effective the quarter ended June 30, 2015, re-classified deposits placed with NABARD, SIDBI and NHB on account of shortfall in lending to priority sector from 'Investments' to 'Other Assets'.

2. Rural Infrastructure Development Fund



Balance sheet: Liabilities

₹ billion	March 31, 2014	March 31, 2015	September 30, 2014	September 30, 2015	Y-o-Y growth
Net worth	732.14	804.29	788.77	865.66	9.7%
- Equity capital	11.55	11.60	11.57	11.62	0.4%
- Reserves	720.59	792.70	777.20	854.04	9.9%
Deposits	3,319.14	3,615.63	3,520.55	3,846.18	9.2%
- Savings	991.33	1,148.60	1,056.07	1,207.20	14.3%
- Current	432.45	495.20	481.18	527.69	9.7%
Borrowings ^{1,2}	1,547.59	1,724.17	1,503.49	1,561.09	3.8%
Other liabilities	347.55	317.20	298.62	297.63	(0.3)%
Total liabilities	5,946.42	6,461.29	6,111.43	6,570.56	7.5%

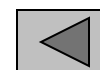


1. Borrowings include preference shares amounting to ₹ 3.50 bn
2. Including impact of exchange rate movement

Yield, cost & margin

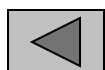
Movement in yield, costs & margins (Percent) ¹	FY2014	FY2015	H1-2016
Yield on total interest-earning assets	8.92	8.96	8.82
<i>- Yield on advances</i>	10.00	9.95	9.68
Cost of funds	6.21	6.17	5.98
<i>- Cost of deposits</i>	6.11	6.18	6.00
Net interest margin	3.33	3.48	3.53
<i>- Domestic</i>	3.68	3.89	3.87
<i>- Overseas</i>	1.71	1.65	1.94

1. Annualised for all interim periods



Other key ratios

Movement in yield, costs & margins (Percent) ¹	FY2014	FY2015	H1-2016
Return on average networth ¹	13.7	14.3	14.4
Return on average assets ¹	1.76	1.86	1.90
Weighted average EPS ^{1,2}	17.0	19.3	20.7
Book value (₹) ²	127	139	149
Fee to income	28.9	26.5	26.6
Cost to income	38.2	36.8	37.7
Average CASA ratio	39.4	39.5	40.9



1. Annualised for all interim periods
2. One equity share of ₹ 10 has been sub-divided into five equity shares of ₹ 2 each. Accordingly, book value & EPS have been restated for all the previous periods