

**News Release****November 7, 2016****Performance Review: Quarter ended September 30, 2016**

- **21% year-on-year growth in retail portfolio; domestic advances grew by 16% year-on-year at September 30, 2016**
- **18% year-on-year growth in current and savings account (CASA) deposits; CASA ratio at 45.7% at September 30, 2016**
- **Standalone profit after tax of ₹ 3,102 crore (US\$ 466 million) for quarter ended September 30, 2016 (Q2-2017)**
- **Consolidated profit after tax of ₹ 2,979 crore (US\$ 447 million) for Q2-2017**
- **The Bank further strengthened its balance sheet with additional provisions of ₹ 3,588 crore (US\$ 539 million)**
- **Capital adequacy ratios significantly higher than regulatory requirements; total capital adequacy of 16.67% and Tier-1 capital adequacy of 13.26% on standalone basis at September 30, 2016, including profits for the six months ended September 30, 2016 (H1-2017)**

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 September 30, 2016.

**Profit & loss account**

- Net interest income was ₹ 5,253 crore (US\$ 789 million) in the quarter ended September 30, 2016 (Q2-2017) compared to ₹ 5,251 crore (US\$ 788 million) in the quarter ended September 30, 2015 (Q2-2016)
- Non-interest income was ₹ 9,120 crore (US\$ 1.37 billion) in Q2-2017 compared to ₹ 3,007 crore (US\$ 451 million) in Q2-2016. During Q2-2017, ICICI Prudential Life Insurance Company (ICICI Life) completed an initial public offer (IPO) of equity shares. The Bank sold approximately 12.63% shareholding in the IPO. Other income for the quarter includes gains of ₹ 5,682 crore (US\$ 853 million) relating to this sale of shares. Excluding gains relating to sale of shares of ICICI Life, the non-interest income grew by 14% year-on-year in Q2-2017.

- The Bank further strengthened its balance sheet by making additional provisions of ₹ 3,588 crore (US\$ 539 million) which comprise the following:
  - Provisions of ₹ 1,678 crore (US\$ 252 million) for standard loans;
  - Entire loss of ₹ 395 crore (US\$ 59 million) on sale of NPA during the six months ended September 30, 2016 (H1-2017), which is permitted to be amortised as per Reserve Bank of India (RBI) guidelines, recognized upfront; and
  - Floating provision of ₹ 1,515 crore (US\$ 227 million).
- Other provisions were ₹ 3,495 crore (US\$ 525 million) in Q2-2017 compared to ₹ 2,515 crore (US\$ 378 million) in Q1-2017 and ₹ 942 crore (US\$ 141 million) in Q2-2016.
- Standalone profit after tax was ₹ 3,102 crore (US\$ 466 million) for Q2-2017 compared to ₹ 2,232 crore (US\$ 335 million) for Q1-2017 and ₹ 3,030 crore (US\$ 455 million) for Q2-2016.
- Consolidated profit after tax was ₹ 2,979 crore (US\$ 447 million) for Q2-2017 compared to ₹ 2,516 crore (US\$ 378 million) for Q1-2017 and ₹ 3,419 crore (US\$ 513 million) for Q2-2016.

## **Operating review**

### ***Credit growth***

The year-on-year growth in domestic advances was 16%. The Bank continued to achieve strong growth in its retail business, resulting in a year-on-year growth of 21% in the retail portfolio. The retail portfolio constituted about 48% of the loan portfolio of the Bank at September 30, 2016, compared to 44% at September 30, 2015. Total advances increased by 11% year-on-year to ₹ 454,256 crore (US\$ 68.2 billion) at September 30, 2016 from ₹ 409,693 crore (US\$ 61.5 billion) at September 30, 2015.

### ***Deposit growth***

The Bank continued to achieve robust growth in current and savings account (CASA) deposits. The Bank's total CASA deposits increased by 18% year-on-year to ₹ 205,256 crore (US\$ 30.8 billion) at September 30, 2016. Savings account deposits grew by 22% year-on-year. During Q2-2017, savings account deposits increased by ₹ 8,684 crore (US\$ 1.3 billion). The Bank's CASA ratio was 45.7% at September 30, 2016 compared to 45.1% at June 30, 2016 and 45.1% at September 30, 2015. The average CASA ratio was at 41.5% in Q2-2017 compared to 41.7% in Q1-2017 and 40.7% in Q2-2016. Total deposits increased by 17% year-on-year to ₹ 449,071 crore (US\$ 67.41 billion) at

September 30, 2016. The Bank had a network of 4,468 branches and 14,295 ATMs at September 30, 2016.

### ***Capital adequacy***

The Bank's capital adequacy at September 30, 2016 as per RBI's guidelines on Basel III norms was 16.14% and the Tier-1 capital adequacy was 12.72%, significantly higher than the regulatory requirements. In line with applicable guidelines, the Basel III capital ratios reported by the Bank for September 30, 2016 do not include the profits for H1-2017. Including the profits for H1-2017, the capital adequacy ratio for the Bank as per Basel III norms would have been 16.67% and the Tier I ratio would have been 13.26%.

### ***Asset quality***

Net non-performing assets at September 30, 2016 were ₹ 16,483 crore (US\$ 2.5 billion) compared to ₹ 15,308 crore (US\$ 2.3 billion) at June 30, 2016. The Bank's net non-performing asset ratio was 3.21% at September 30, 2016 compared to 3.01% at June 30, 2016. Net loans to companies whose facilities have been restructured were ₹ 6,336 crore (US\$ 1.0 billion) at September 30, 2016 compared to ₹ 7,241 crore (US\$ 1.1 billion) at June 30, 2016.

### ***Technology initiatives***

During the quarter, the Bank launched the Unified Payments Interface, or UPI and enabled UPI based transactions on its' mobile banking applications - 'iMobile' and 'Pockets'. The Bank now have over 200,000 Virtual Payment Addresses on UPI. The Bank is also working on tie-ups with several merchants to enable UPI based 'person-to-merchant' transactions. The Bank recently became the first bank in India to successfully exchange and authenticate remittance transaction messages and original international trade documents using blockchain technology.

The Bank's transaction volumes through digital channels continue to grow. Currently, non-branch channels account for close to 95% of all savings account transactions. Digital channels like internet and mobile banking account for over 65% of the savings account transactions.

### **Consolidated results**

Consolidated profit after tax was ₹ 2,979 crore (US\$ 447 million) in Q2-2017 compared to ₹ 2,516 crore (US\$ 378 million) in Q1-2017 and ₹ 3,419 crore (US\$ 513 million) in Q2-2016.

Consolidated assets grew by 13.3% from ₹ 850,812 crore (US\$ 127.7 billion) at September 30, 2015 to ₹ 964,236 crore (US\$ 144.7 billion) at September 30, 2016.

### ***Subsidiaries***

During Q2-2017, ICICI Prudential Life Insurance Company (ICICI Life) completed its IPO in which the Bank sold 12.63% shareholding. The Bank continues to hold 54.9% shareholding in the company. ICICI Life announced results for H1-2017 on October 25, 2016. ICICI Life's retail weighted received premium increased by 17% from ₹ 2,118 crore (US\$ 318 million) in H1-2016 to ₹ 2,480 crore (US\$ 372 million) in H1-2017. ICICI Life's profit after tax was ₹ 419 crore (US\$ 63 million) for Q2-2017 compared to ₹ 415 crore (US\$ 62 million) for Q2-2016. The Embedded Value, based on Indian Embedded Value methodology, was ₹ 14,838 crore (US\$ 2.2 billion) as of September 30, 2016 compared to ₹ 13,939 crore (US\$ 2.1 billion) as of March 31, 2016.

ICICI Lombard General Insurance Company (ICICI General) maintained its leadership in the private sector in H1-2017. The gross written premium of ICICI General increased by 38% from ₹ 1,992 crore (US\$ 299 million) in Q2-2016 to ₹ 2,752 crore (US\$ 413 million) in Q2-2017. The profit after tax of ICICI General was ₹ 171 crore (US\$ 26 million) in Q2-2017 compared to ₹ 143 crore (US\$ 21 million) in Q2-2016.

The profit after tax of ICICI Prudential Asset Management Company (ICICI AMC) increased by 55% year-on-year from ₹ 84 crore (US\$ 13 million) in Q2-2016 to ₹ 130 crore (US\$ 20 million) in Q2-2017. ICICI AMC continues to be the largest mutual fund in India based on average assets under management for Q2-2017.

The profit after tax of ICICI Securities was at ₹ 99 crore (US\$ 15 million) in Q2-2017 compared to ₹ 60 crore (US\$ 9 million) in Q2-2016. The profit after tax of ICICI Securities Primary Dealership was ₹ 171 crore (US\$ 26 million) in Q2-2017 compared to ₹ 88 crore (US\$ 13 million) in Q2-2016.

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

₹ crore

	FY2016	Q1-2016	Q2-2016	H1-2016	Q1-2017	Q2-2017	H1-2017
<b>Net interest income</b>	<b>21,224</b>	<b>5,115</b>	<b>5,251</b>	<b>10,366</b>	<b>5,159</b>	<b>5,253</b>	<b>10,412</b>
<b>Non-interest income</b>	<b>15,322</b>	<b>2,990</b>	<b>3,007</b>	<b>5,997</b>	<b>3,429</b>	<b>9,120</b>	<b>12,549</b>
- Fee income	8,820	2,110	2,235	4,345	2,156	2,356	4,512
- Lease and other income <sup>1</sup>	2,442	673	550	1,223	505	352	857
- Treasury income	4,060 <sup>2</sup>	207	222	429	768	6,412 <sup>2</sup>	7,180 <sup>2</sup>
Less:							
Operating expense	12,683	3,067	3,100	6,167	3,373	3,737	7,110
<b>Operating profit</b>	<b>23,863</b>	<b>5,038</b>	<b>5,158</b>	<b>10,196</b>	<b>5,215</b>	<b>10,636</b>	<b>15,851</b>
Less:							
Additional provisions	-	-	-	-	-	3,588	3,588
Collective contingency and related reserve	3,600	-	-	-	-	-	-
Other provisions	8,067	956	942	1,898	2,515	3,495	6,010
<b>Profit before Tax</b>	<b>12,196</b>	<b>4,082</b>	<b>4,216</b>	<b>8,298</b>	<b>2,700</b>	<b>3,553</b>	<b>6,253</b>
Less: Tax	2,470	1,106	1,186	2,292	468	451	919
<b>Profit after tax</b>	<b>9,726</b>	<b>2,976</b>	<b>3,030</b>	<b>6,006</b>	<b>2,232</b>	<b>3,102</b>	<b>5,334</b>

1. Includes net foreign exchange gains relating to overseas operations of ₹ 347 crore in Q1-2016, ₹ 190 crore in Q2-2016, ₹ 206 crore in Q1-2017, nil in Q2-2017 and ₹ 941 crore in FY2016
2. Includes profit of ₹ 3,374 crore on sale of shareholding in ICICI Life and ICICI General in FY2016 and a profit of ₹ 5,682 crore on sale of shareholding in ICICI Life in Q2-2017
3. Prior period figures have been re-grouped/re-arranged where necessary

**Summary Balance Sheet**

₹ crore

	<b>30-Sep-15</b>	<b>31-Mar-16</b>	<b>30-Jun-16</b>	<b>30-Sep-16</b>
	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>
<b>Capital and Liabilities</b>				
Capital	1,162	1,163	1,164	1,164
Employee stock options outstanding	7	7	7	7
Reserves and surplus	85,397	88,566	90,779	93,845
Deposits	384,618	421,426	424,086	449,071
Borrowings (includes subordinated debt) <sup>1</sup>	156,109	174,807	174,095	171,757
Other liabilities	29,763	34,726	37,092	36,096
<b>Total Capital and Liabilities</b>	<b>657,056</b>	<b>720,695</b>	<b>727,223</b>	<b>751,940</b>
<b>Assets</b>				
Cash and balances with Reserve Bank of India	21,977	27,106	25,647	23,959
Balances with banks and money at call and short notice	9,568	32,763	13,084	28,605
Investments	154,190	160,412	168,322	174,349
Advances	409,693	435,264	449,427	454,256
Fixed assets	4,794	7,577	7,609	7,608
Other assets	56,834	57,573	63,134	63,163
<b>Total Assets</b>	<b>657,056</b>	<b>720,695</b>	<b>727,223</b>	<b>751,940</b>

1. Borrowings include preference share capital of ₹ 350 crore.

2. 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](http://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 that we operate or where a material number of our customers reside, our ability to successfully implement our strategy, including our use of the Internet and other technology, future levels of impaired loans, the adequacy of our allowance for credit and investment losses, investment income including the ability to successfully monetise our investment in subsidiaries, our rural expansion, our exploration of merger and acquisition opportunities, our ability to integrate 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 we face in our international operations, our growth and expansion in domestic and overseas markets, technological changes, our ability to market new products, cash flow projections, the outcome of any legal, tax or regulatory proceedings in India and in other jurisdictions we are or become a party to, the future impact of new accounting standards, our ability to implement our dividend policy, the impact of changes in banking regulations and other regulatory changes in India and other jurisdictions on us, the equity, bond and loan market conditions and availability of liquidity amongst the investor community in these markets, the nature or level 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 and liquidity risks as well as other risks that are detailed in the reports filed by us with the United States Securities and Exchange Commission. 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.*

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*1 crore = 10.0 million*

*US\$ amounts represent convenience translations at US\$1= ₹ 66.62*