ICICI Bank

July 27, 2017

BSE Limited
Listing Department
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, 5th floor
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (East)
Mumbai 400 051

Dear Sir,

Sub: Earnings call for results for the quarter ended 30th June, 2017

This is further to our letter dated July 26, 2017 on the captioned subject.

Please find attached the investor presentation and the opening remarks for the analyst call for the Q1-2018 results. The same has also been uploaded on the website of the Bank and can be accessed on the link http://www.icicibank.com/aboutus/qfr.page?#toptitle.

Yours faithfully,

Shanthi Venkatesan
Deputy General Manager

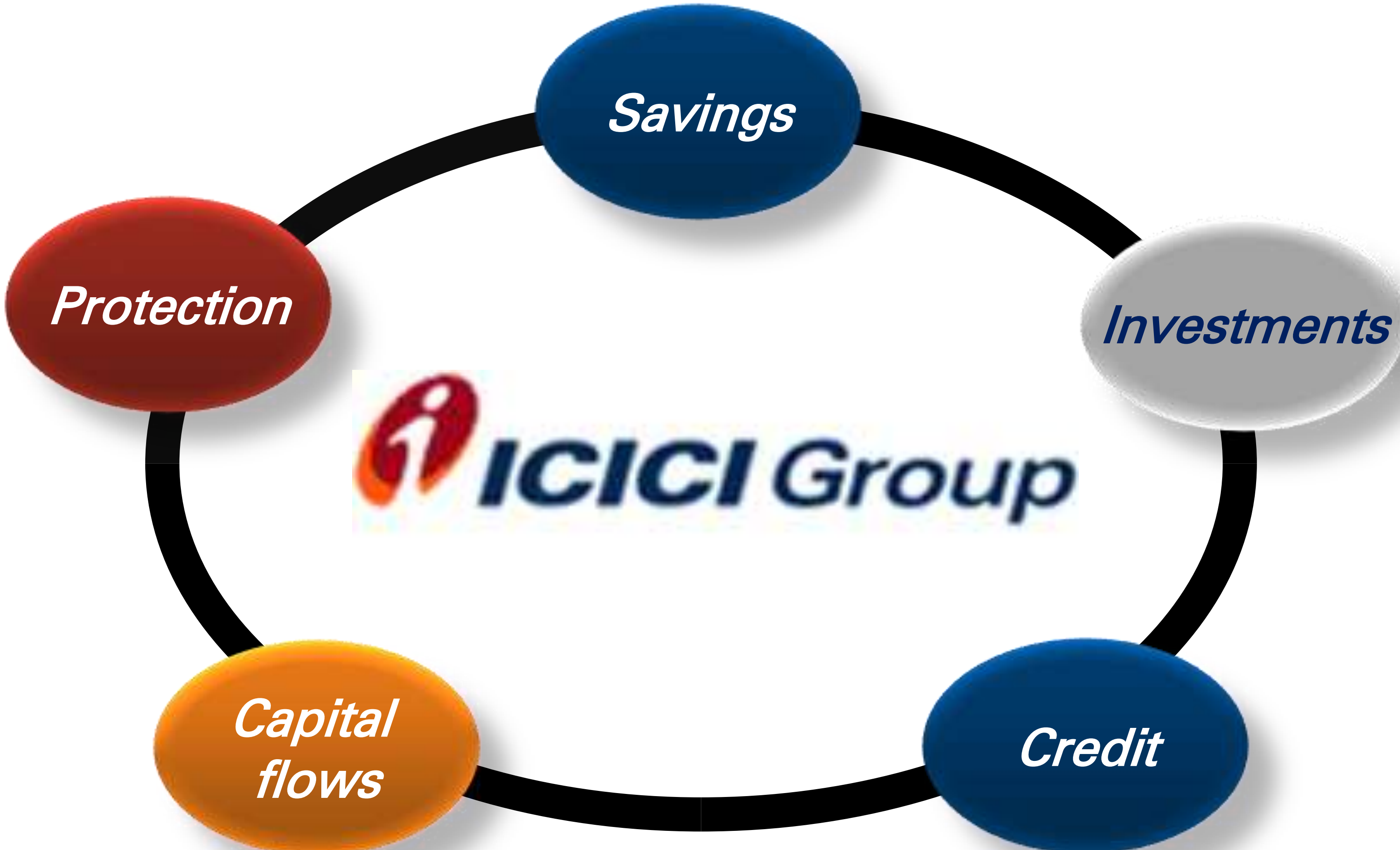
Encl: As above

Q1-2018: Performance review

July 2017

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



Savings
Investments
Credit
Capital flows
Protection
ICICI Group

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Scale & strength

₹ 9.9 trillion Consolidated assets	₹ 2.5 trillion Granular retail portfolio	18,632 Largest branch + ATM network among private sector banks
49.0% Period-end CASA ratio	14.80% Tier-1 capital adequacy	₹ 52 billion Operating profit in Q1-2018

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Key highlights for Q1-2018

- Focused approach to growth
- Strong retail franchise
- Improving core income and expense trends
- Improving asset quality trends
- Technology leadership
- Strong value creation in subsidiaries

Focused approach to growth

Loan growth led by retail

Loan portfolio	Y-o-Y growth (%)
Total domestic	10.9%
Retail	18.6%
SME	18.4%
Corporate	(2.8)%
Overseas[1]	(25.0)%

Total loans of ₹ 4,640.75 billion at June 30, 2017

1. Overseas portfolio decreased by 22.0% y-o-y in US$ terms

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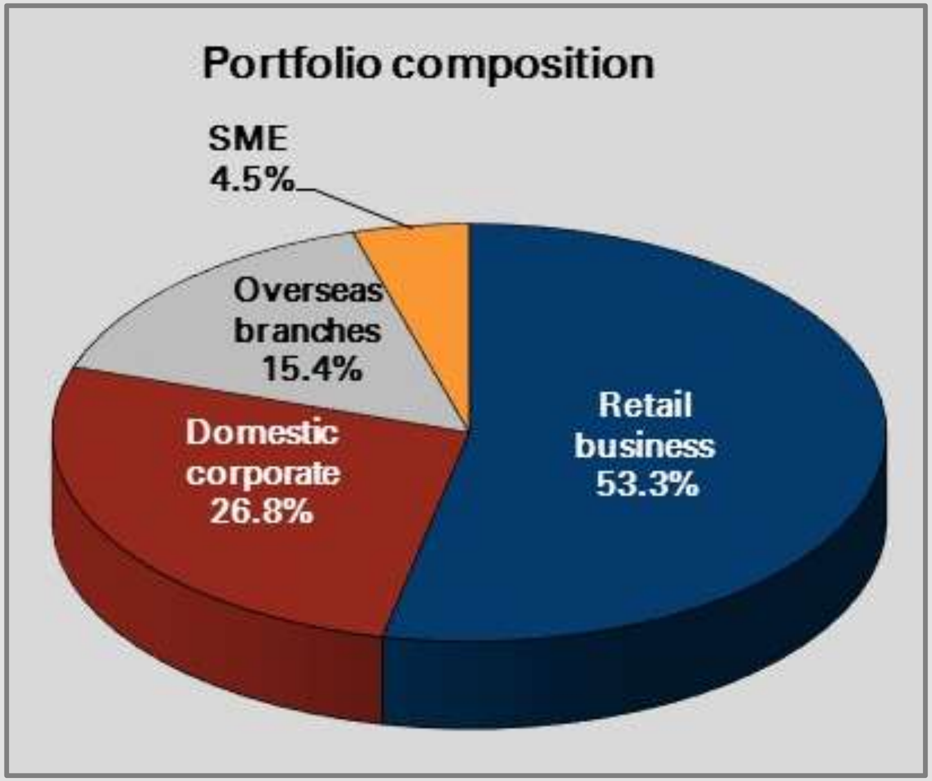
Increasing share of retail loans

Share of retail loans in total loans increased from 46.4% at June 30, 2016 to 53.3% at June 30, 2017



Balance sheet (assets): slide 63

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Corporate business: focus on selective lending

Continued focus on lending to higher rated corporates

Domestic corporate portfolio declined by 2.8% y-o-y; excluding non-performing loans, restructured loans and loans to companies included in drilldown exposures, there was a growth in the domestic corporate portfolio

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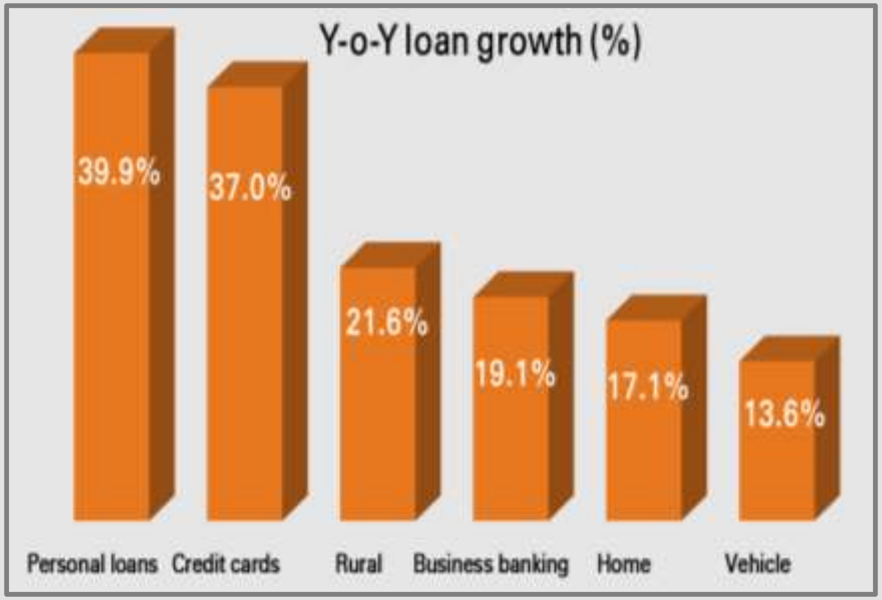
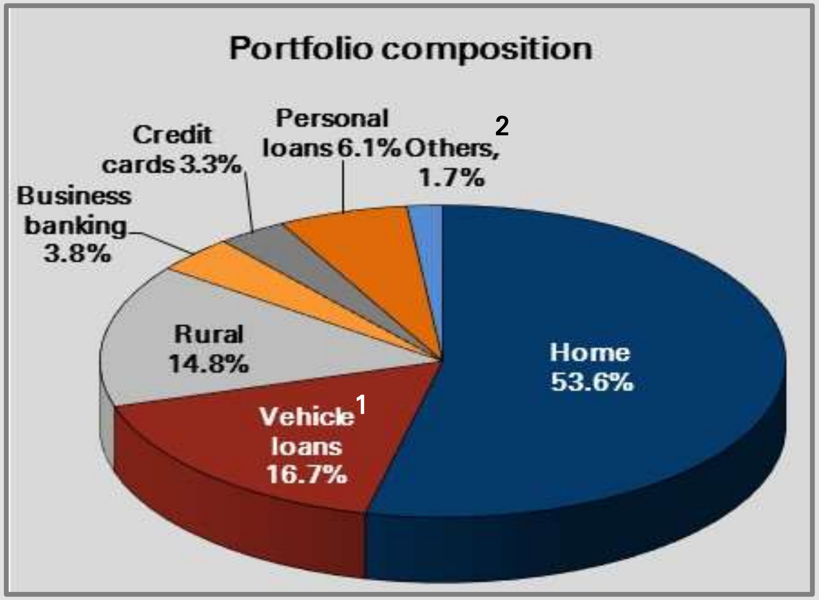
Strong retail franchise

Growth across retail products





Retail loan growth at 18.6% y-o-y

Total retail loans at ₹ 2,475 billion at Jun 30, 2017

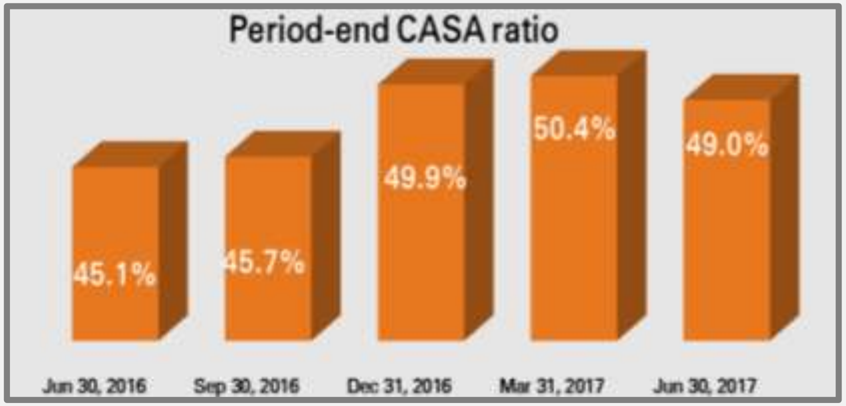
1. Vehicle loans include auto loans: 10.6%, commercial business: 6.0% and two-wheeler loans: 0.1%
2. Others include dealer funding: 1.0% and loan against securities: 0.7%

Healthy funding mix maintained

Total deposit growth healthy at 14.7% y-o-y

CASA deposits increased by 24.4% y-o-y at Jun 30, 2017; period-end CASA ratio at 49.0%

25.4% y-o-y growth in average CASA deposits in Q1-2018



Balance sheet (liabilities): slide 65
Branch network: slide 67

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Improving core income and expense trends

Improving profit trends

- 8.4% y-o-y growth in net interest income
- 10.3% y-o-y growth in fee income
- Growth in operating expenses reduced to 12.5% y-o-y, compared to a growth of 16.3% in FY2017
- The standalone PAT at ₹ 20.49 billion in Q1-2018 compared to ₹ 20.25 billion in Q4-2017 and ₹ 22.32 billion in Q1-2017[1]
- 25.1% sequential growth in consolidated PAT

1. Non-interest income in Q1-2017 included exchange rate gain related to overseas operations of ₹ 2.06 billion, which is no longer permitted to be accounted as income following the RBI guideline issued in April 2017, and quarterly dividend of ₹ 2.04 billion from ICICI Life, which has moved to dividend payments on a half-yearly basis following its IPO in Sep 2016

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Profit & loss statement

₹ billion	FY 2017	Q1-2017	Q4-2017	Q1-2018	Q1-o-Q1 growth
NII	217.37	51.59	59.62	55.90	8.4%
Non-interest income	195.05	34.29	30.17	33.88	(1.2)%
- Fee income	*94.52*	*21.56*	*24.46*	*23.77*	10.3%
- Other income[1]	*14.76*	*5.05*	*0.68*	*1.53*	*(69.7)%*
- Treasury income	*85.77[2]*	*7.68*	*5.03*	*8.58*	*11.7%*
Total income	**412.42**	**85.88**	**89.79**	**89.78**	**4.5%**
Operating expenses	147.55	33.73	38.67	37.94	12.5%
Operating profit	**264.87**	**52.15**	**51.12**	**51.84**	**(0.6)%**

1. As per the RBI guidelines dated April 18, 2017, banks are not permitted to recognise proportionate exchange gains or losses held in the FCTR in the P&L account. The Bank has therefore reversed foreign exchange gain amounting to ₹ 2.88 bn in Q4-2017, which was recognised as other income in 9M-2017. Accordingly, other income includes net foreign exchange gain relating to overseas operations amounting to ₹ 2.06 bn in Q1-2017, nil in FY2017 and nil in Q1-2018
2. Includes profit on sale of shareholding in ICICI Life of ₹ 56.82 bn in FY2017

Profit & loss statement

₹ billion	FY 2017	Q1-2017	Q4-2017	Q1-2018	Q1-o-Q1 growth
Operating profit	**264.87**	**52.15**	**51.12**	**51.84**	**(0.6)%**
Provisions[1,2]	152.08	25.15	28.98	26.09	3.7%
Profit before tax	**112.79**	**27.00**	**22.14**	**25.75**	**(4.6)%**
Tax	14.78	4.68	1.89	5.26	12.4%
Profit after tax	**98.01**	**22.32**	**20.25**	**20.49**	**(8.2)%**

1. Drawdown from the collective contingency & related reserve of ₹ 8.65 bn in Q1-2017, ₹ 15.28 bn in Q4-2017 and ₹ 36.00 bn in FY2017
2. Floating provisions of ₹ 15.15 billion utilised in Q4-2017

Yield, cost & margin

Movement in yield, costs & margins (Percent)[1]	FY2017	Q1-2017	Q4-2017	Q1-2018
Yield on total interest-earning assets	8.09	8.17	8.13	7.87
- Yield on advances	*8.88*	*9.06*	*8.89*	*8.69*
Cost of funds	5.45	5.65	5.15	5.16
- Cost of deposits	*5.39*	*5.64*	*5.12*	*5.06*
Net interest margin	3.25	3.16	3.57[2]	3.27
- Domestic	*3.59*	*3.45*	*3.96*	*3.62*
- Overseas	*1.30*	*1.65*	*1.01*	*0.73*

- Interest on income tax refund: ₹ 1.77 billion in Q1-2018 (₹ 4.51 billion in FY2017, ₹ 0.01 billion in Q1-2017, ₹ 2.00 billion in Q4-2017)

1. Annualised for all interim periods
2. Includes benefit of interest collection from NPAs

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Other key ratios

Percent	FY 2017	Q1-2017	Q4-2017	Q1-2018
Return on average networth[1,2]	10.3	9.9	8.3	8.2
Return on average assets[1]	1.35	1.27	1.10	1.09
Weighted average EPS[1,3]	15.3	14.0	12.8	12.8
Book value[3] (₹)	156[2]	144	156	157
Fee to income	22.9	25.1	27.2	26.5
Cost to income	35.8[4]	39.3	43.1	42.3
Average CASA ratio	43.7	41.7	46.5	45.4

1. Annualised for all interim periods
2. According to the revised AS 4 – 'Contingencies and events occurring after the balance sheet date' as notified by the Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Amendment Rules, 2016, the Bank has not accounted for proposed dividend (including dividend distribution tax) as a liability for FY2017. However, the Bank has reduced proposed dividend for determining capital funds for computing capital adequacy ratio at March 31, 2017
3. Shareholders of the Bank approved the issue of bonus shares in ratio of 1:10 through postal ballot on June 12, 2017. Prior period numbers have been restated.
4. Includes gain on sale of stake in insurance subsidiaries

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Consolidated profit & loss statement

₹ billion	FY2017	Q1-2017	Q4-2017	Q1-2018	Q1-o-Q1 growth
NII	261.04	61.95	70.97	67.05	8.2%
Non-interest income	524.58	94.90	133.77	113.92	20.0%
- Fee income	*110.52*	*24.95*	*28.62*	*30.09*	*20.6%*
- Premium income	*312.03*	*55.95*	*98.06*	*70.98*	*26.9%*
- Other income[1]	*102.03*	*14.00*	*7.09*	*12.85*	*(8.2)%*
Total income	**785.62**	**156.85**	**204.74**	**180.97**	**15.4%**

1. As per the RBI circular on 'Guidelines on compliance with Accounting Standard (AS) 11 (The Effects of Changes in Foreign Exchange Rates) by banks' dated April 18, 2017, on repatriation of accumulated profits or retained earnings from overseas operations, the banks shall not recognise the proportionate exchange gains or losses held in the foreign currency translation reserve in the P&L account. The Bank has therefore reversed foreign exchange gain amounting to ₹ 2.88 bn in Q4-2017, which was recognised as other income in 9M-2017. Accordingly, other income includes net foreign exchange gain relating to overseas operations amounting to ₹ 2.06 bn in Q1-2017, nil in FY2017 and nil in Q1-2018

Consolidated profit & loss statement

₹ billion	FY2017	Q1-2017	Q4-2017	Q1-2018	Q1-o-Q1 growth
Total income	**785.62**	**156.85**	**204.74**	**180.97**	**15.4%**
Operating expenses	481.70	95.12	142.09	116.33	22.3%
Operating profit	**303.92**	**61.73**	**62.65**	**64.64**	**4.7%**
Provisions[1,2]	165.82	27.13	34.63	26.85	(1.0)%
Profit before tax	**138.10**	**34.60**	**28.02**	**37.79**	**9.2%**
Tax	24.69	7.17	4.04	8.39	17.0%
Minority interest	11.52	2.27	3.15	3.35	47.6%
Profit after tax	**101.88**	**25.16**	**20.83**	**26.05**	**3.5%**

1. Drawdown from the collective contingency & related reserve of ₹ 8.65 bn in Q1-2017, ₹ 15.28 bn in Q4-2017 and ₹ 36.00 bn in FY2017
2. Floating provisions of ₹ 15.15 billion utilised in Q4-2017

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Key ratios (consolidated)

Percent	FY2017	Q1-2017	Q4-2017	Q1-2018
Return on average networth[1,2,3]	10.3	10.6	8.1	9.9
Weighted average EPS (₹)[1,4]	15.9	15.8	13.2	16.3
Book value (₹)[3]	163	151	163	165

1. Based on quarterly average networth
2. Annualised for all interim periods
3. According to the revised AS 4 – 'Contingencies and events occurring after the balance sheet date' as notified by the Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Amendment Rules, 2016, the Bank has not accounted for proposed dividend (including dividend distribution tax) as a liability for FY2017. However, the Bank has reduced proposed dividend for determining capital funds for computing capital adequacy ratio at March 31, 2017
4. Shareholders of the Bank approved the issue of bonus shares in ratio of 1:10 through postal ballot on June 12, 2017. Prior period numbers have been restated

Consolidated balance sheet: slide 71

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Improving asset quality trends

NPA trends

- Gross additions to NPAs at ₹ 49.76 bn were the lowest in the last seven quarters
- Recoveries & upgrades of ₹ 27.75 bn, reflecting the completion of sale of cement business of a borrower, which was classified as NPA in Q4-2017, to a AAA rated company
- Net addition to gross NPA of ₹ 22.01 bn
- The net NPAs declined during the quarter in absolute terms from ₹ 254.51 bn to ₹ 253.06 bn
- The net NPA ratio declined from 4.89% to 4.86%

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Movement of NPA (1/3)

- The additions to NPAs had been gradually declining from ₹ 82.49 bn in Q1-2017 to ₹ 80.29 bn in Q2-2017 and ₹ 70.37 bn in Q3-2017
- During Q4-2017, the additions to NPAs were elevated at ₹ 112.89 bn
- Of the additions to NPA during Q4-2017, ₹ 53.78 bn was due to one account in the cement sector
- Additions to NPAs in Q4-2017 excluding this cement account were ₹ 59.11 bn, lower compared to ₹ 70.37 bn in Q3-2017
- NPA additions declined further in Q1-2018 to ₹ 49.76 billion

Movement of NPA (2/3)

₹ billion	FY 2017	Q3-2017	Q4-2017	Q1-2018
Opening gross NPA	267.21	325.48	380.85	425.52
Add: gross additions	335.44	70.37	112.89	49.76
- of which: slippages from restructured assets	*45.20*	*2.39*	*18.03*	*14.76*
- of which: Slippages from exposure to 'below investment grade' companies in key sectors reported	*194.95*	*29.43*	*79.57*	*3.59*
- Existing NPA non-fund devolvement[1]	*17.99*	*17.99*	*-*	*1.24*
Less: recoveries & upgrades	25.38	6.25	14.13	27.75
Net additions	310.06	64.12	98.76	22.01
Less: write-offs & sale	151.75	8.75	54.09	16.05
Closing gross NPAs	425.52	380.85	425.52	431.48
Gross NPA ratio	7.89%	7.20%	7.89%	7.99%

1. Relating to accounts classified as non-performing in prior periods
2. Based on customer assets

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Movement of NPA (3/3)

In Q1-2018, ~ 48% (~90% in Q4-2017 and ~80% in FY2017) of the gross additions to NPAs for the wholesale & SME businesses were on account of slippages relating to companies internally rated below investment grade in key sectors, restructured portfolio and devolvement of non-fund facilities of accounts classified as non-performing in prior periods

Balance slippage largely represents one account in electronics & engineering sector

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Proceedings under IBC[1]

- RBI advised banks to initiate insolvency resolution process in respect of 12 accounts under the provisions of IBC, 2016 and also required banks to make higher provisions for these accounts during the year
- The Bank, at June 30, 2017, had loans outstanding to nine borrowers amounting to ₹ 68.89 billion and non-fund outstanding amounting to ₹ 3.51 billion
  - About 97% of the outstanding was secured at June 30, 2017

- Provision coverage of 41% at June 30, 2017 in respect of loans to these borrowers
- Additional provision of ₹ 6.47 billion required over the next three quarters as advised by RBI, in addition to the provisions to be made as per the existing RBI guidelines

1. Insolvency and Bankruptcy Code

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Asset quality and provisioning (1/2)

₹ billion	June 30, 2016	March 31, 2017	June 30, 2017
Gross NPAs	275.63	425.52	431.48
Less: cumulative provisions	122.55	171.01	178.42
Net NPAs	153.08	254.51	253.06
Net NPA ratio	3.01%	4.89%	4.86%

Retail NPAs (₹ billion)	June 30, 2016	March 31, 2017	June 30, 2017
Gross retail NPAs	41.47	36.67	41.40
- as a % of gross retail advances	*1.96%*	*1.51%*	*1.65%*
Net retail NPAs	13.55	12.47	15.66
- as a % of net retail advances	*0.65%*	*0.52%*	*0.63%*

Provisioning coverage ratio at 55.2% including cumulative technical/ prudential write-offs

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Asset quality and provisioning (2/2)

- Net investment in security receipts of ARCs was ₹ 34.05 billion at Jun 30, 2017 (Mar 31, 2017: ₹ 32.86 billion); one SMA-2 loan of ₹ 1.67 billion sold in Q1-2018
- Non-fund outstanding to restructured assets: ₹ 5.15 billion at Jun 30, 2017 (Mar 31, 2017 : ₹ 16.87 billion)
- Outstanding general provision on standard assets: ₹ 24.59[1] billion at Jun 30, 2017
  - Includes additional standard asset provision of ₹ 1.60 billion made during Q1-2018 towards standard assets outstanding in telecom sector and certain key sectors identified earlier (power, iron & steel, mining & rigs)

1. Excludes additional provisions against standard assets

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NPA and restructuring trends

₹ billion	June 30, 2016	March 31, 2017	June 30, 2017
Net NPAs (A)	153.08	254.51	253.06
Net restructured loans (B)	72.41	42.65	23.70
Total (A+B)	225.49	297.16	276.76
Total as a % of net customer assets	4.44%	5.70%	5.31%

Strategic debt restructuring

June 2017	SDR implemented		SDR invoked[1]	
	₹ billion	%	₹ billion	%
Gross outstanding amount[2]	38.47	100.0%	6.60	100.0%
- of which: restructured loans	*5.59*	*14.5%*	*0.17*	*2.6%*
- of which: loans to 'below investment grade' companies in key sectors	*24.47*	*63.6%*	*-*	*-*

Interest of ₹ 1.08 billion on above accounts not accrued during Q1-2018

1. SDR invoked but pending implementation
2. Excludes NPAs

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Change in management outside SDR

June 2017	Implemented		Invoked[1]	
	₹ billion	%	₹ billion	%
Gross outstanding amount[2]	55.10	100.0%	1.20	100.0%
- of which: restructured loans	-	-	-	-
- of which: loans to 'below investment grade' companies in key sectors	*55.10*	*100.0%*	*1.20*	*100.0%*

Interest of ₹ 1.04 billion on above accounts not accrued during Q1-2018

1. Invoked but pending implementation
2. Excludes NPAs

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Flexible restructuring under the 5/25 scheme

June 2017	₹ billion	%
Amount for which 5/25 refinancing implemented	26.75[1]	100.0%
- of which: loans to 'below investment grade' companies in key sectors reported	*24.78*	*92.6%*

1. Excludes NPAs and a central public sector owned undertaking

Scheme for sustainable structuring of stressed assets (S4A)

S4A implemented (₹ billion)	June 30, 2017
Gross amount outstanding	4.07

The above relates to standard accounts in the construction sector

Portfolio trends and approach

Portfolio composition over the years

% of total advances	March 31, 2012	March 31, 2013	March 31, 2014	March 31, 2015	March 31, 2016	March 31, 2017	June 30, 2017
Retail	38.0%	37.0%	39.0%	42.4%	46.6%	51.8%	53.3%
Domestic corporate	28.6%	32.5%	30.1%	28.8%	27.5%	27.3%	26.8%
SME	6.0%	5.2%	4.4%	4.4%	4.3%	4.8%	4.5%
International[1]	27.4%	25.3%	26.5%	24.3%	21.6%	16.1%	15.4%
Total advances (₹ billion)	**2,537**	**2,902**	**3,387**	**3,875**	**4,353**	**4,642**	**4,641**

1. Including impact of exchange rate movement

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Sector-wise exposures

Top 10 sectors[1]: % of total exposure of the Bank	March 31, 2013	March 31, 2014	March 31, 2015	March 31, 2016	March 31, 2017	June 30, 2017
Retail finance	18.9%	22.4%	24.7%	27.1%	31.9%	32.5%
Electronics & engineering	8.3%	8.2%	7.6%	7.3%	6.9%	7.0%
Services – finance	6.0%	4.9%	4.2%	4.9%	6.2%	6.3%
Banks	8.8%	8.6%	7.8%	8.0%	6.0%	5.7%
Crude petroleum/refining & petrochemicals	6.6%	6.2%	7.0%	5.7%	5.5%	5.5%
Road, port, telecom, urban development & other infra	6.0%	6.0%	5.9%	5.8%	5.3%	5.1%
Power	6.4%	5.9%	5.5%	5.4%	5.1%	4.8%
Services - non finance	5.1%	5.2%	5.0%	4.9%	4.0%	3.9%
Iron/steel & products	5.1%	5.0%	4.8%	4.5%	3.6%	3.6%
Construction	4.2%	4.4%	4.0%	3.4%	3.1%	3.0%
Total (₹ billion)	**7,585**	**7,828**	**8,535**	**9,428**	**9,372**	**9,424**

1. Top 10 based on position at June 30, 2017

In April 2016, the Bank had identified power, iron & steel, mining, cement and rigs sectors as the key sectors impacted by the uncertainties and challenges in the operating environment

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Aggregate exposure to key sectors

% of total exposure of the Bank	March 31, 2012	March 31, 2013	March 31, 2014	March 31, 2015	March 31, 2016	March 31, 2017	June 30, 2017
Power	7.3%	6.4%	5.9%	5.5%	5.4%	5.1%	4.8%
Iron/steel	5.2%	5.1%	5.0%	4.8%	4.5%	3.6%	3.6%
Mining	2.0%	1.7%	1.7%	1.5%	1.6%	1.8%	1.8%
Cement	1.2%	1.4%	1.4%	1.5%	1.2%	1.1%	1.1%
Rigs	0.5%	0.5%	0.8%	0.5%	0.6%	0.4%	0.4%
Total exposure of the Bank to key sectors	**16.2%**	**15.1%**	**14.8%**	**13.8%**	**13.3%**	**12.0%**	**11.7%**

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[1] relating to key sectors included
5. Loans already classified as restructured and non-performing excluded

1. Excludes central public sector owned undertaking

Further drilldown: sector-wise details

	At March 31, 2017		At June 30, 2017	
₹ billion	Exposure [1,2,3,5]	% of total exposure	Exposure [1,2,3,5]	% of total exposure
Power	62.31	0.7%	70.76	0.8%
Mining	52.33	0.6%	55.90	0.6%
Iron/steel	39.73	0.4%	39.93	0.4%
Cement	2.94	0.0%	3.23	0.0%
Rigs	0.43	0.0%	0.42	0.0%
Promoter entities[4]	32.66	0.3%	33.34	0.4%

1. Aggregate fund based limits and non-fund based outstanding
2. Excludes net exposure of ₹ 4.55 bn to central public sector owned undertaking
3. Includes investment exposure
4. Includes promoter entities where underlying is partly linked to the key sectors
5. Includes non-fund based outstanding in respect of accounts included in the drilldown exposure where the fund based outstanding has been classified as non-performing during earlier periods
6. In addition to above, the non-fund based outstanding to borrowers classified as non-performing was ₹ 21.35 bn at June 30, 2017

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Further drilldown: movement

₹ billion

Aggregate exposure[1,2,3,4,6]	Q1-2018
Opening balance	190.39
Net increase in exposure	2.59
Upgrades to 'investment grade'	-
Downgrades to 'below investment grade'	14.20
Classified as non-performing[5]	(3.59)
Closing balance	203.58

1. Aggregate fund based limits and non-fund based outstanding
2. Excludes net exposure of ₹ 4.55 bn to central public sector owned undertaking
3. Includes investment exposure
4. Includes promoter entities where underlying is partly linked to the key sectors
5. Includes investment exposure relating to accounts classified as non-performing
6. Includes non-fund based outstanding in respect of accounts included in the drilldown exposure where the fund based outstanding has been classified as non-performing during earlier periods
7. In addition to above, the non-fund based outstanding to borrowers classified as non-performing was ₹ 21.35 bn at June 30, 2017

ICICI Bank

Technology leadership

Leadership in technology

Highest rated[1]

Internet and mobile banking

Over 3.3 million

Virtual Payment Addresses

85%

Paperless capability for branch transactions

Over 41.5 million

Debit & credit cards

Over a million automated transactions daily

SOFTWARE ROBOTICS

~81%

Saving a/c transactions through digital channels in Q1-2018

Large scale initiatives spanning customer activities and internal processes

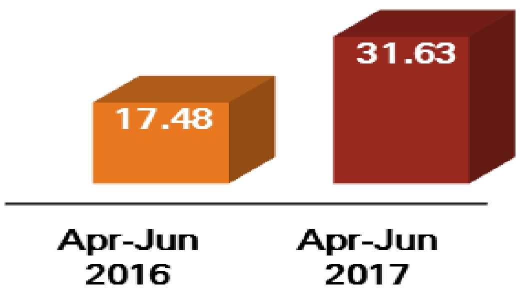
1. In Benchmark Studies 2017 conducted by Forrester

ICICI Bank

Debit card transaction growth

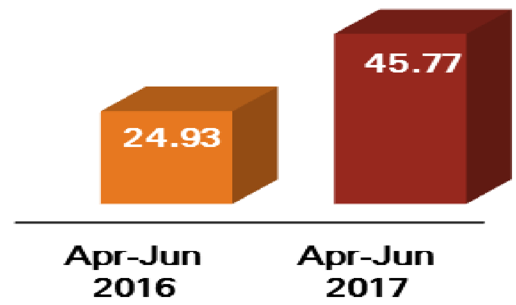
Q1-o-Q1 ↑ 81%

Average monthly transaction volume (in mn)



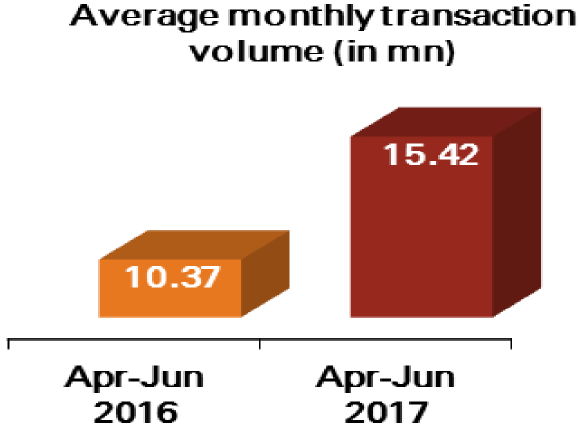
Q1-o-Q1 ↑ 84%

Average monthly transaction value (in Rs. bn)

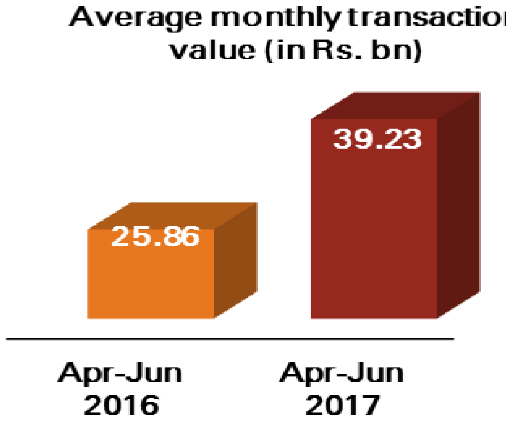


Credit card transaction growth

Q1-o-Q1 ↑ 49%



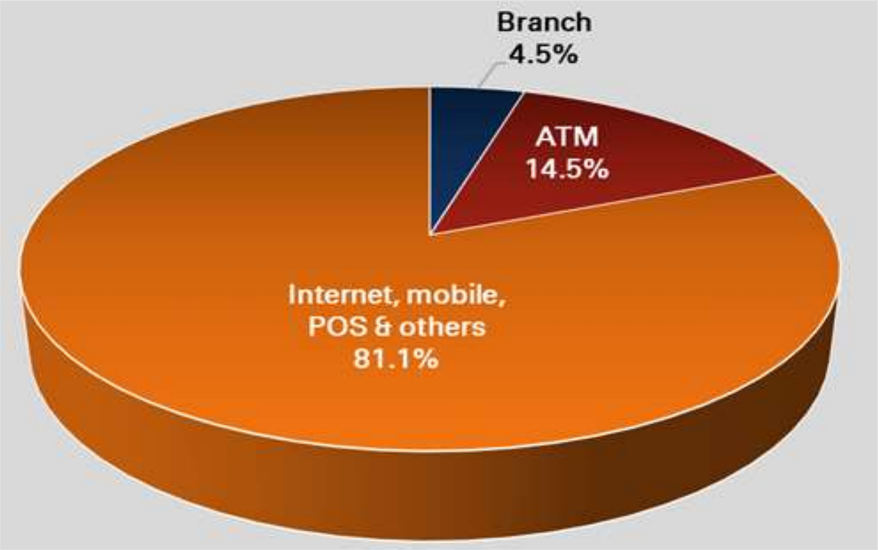
Q1-o-Q1 ↑ 52%



ICICI Bank

Adoption of digital offerings

Channel mix of transactions[2] for Q1-2018



Digital channels[1] accounted for 81.1% of the savings account transactions in Q1-2018 compared to 75.3% in FY2017

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

ICICI Bank

Key initiatives in Q1-2018

- Launched a new website and mobile app for Money2India (M2I): flagship online money transfer service for NRIs
- M2I website integrated with the bank's internet banking platform

- Launched instant personal loans of upto ₹ 1.5 million through ATMs to pre-approved customers
- Enables existing customers to get pre-qualified loans in their savings account, in a completely digital and paperless manner

Strong value creation in subsidiaries

Leadership across financial sector

Life Insurance	ICICI PRUDENTIAL LIFE INSURANCE	▪ Market capitalisation of ~ ₹ 646 billion[1] ▪ Private sector market leader
General Insurance	ICICI Lombard GENERAL INSURANCE WE KEEP YOU GOING	▪ DRHP[2] filed for IPO
AMC	ICICI PRUDENTIAL MUTUAL FUND TARAKKI KAREIN!	▪ Sustained position of largest mutual fund in the country
Securities broking	ICICI Securities	▪ Largest online retail broking platform ▪ Ranked #1 in league tables for IPO/ FPO[3]
Primarily dealership	ICICI Securities Primary Dealership Limited	▪ Leading fixed income player

1. At July 26, 2017
2. Draft Red Herring Prospectus
3. Source: Prime database; for Q1-2018

ICICI Bank

Domestic subsidiaries

ICICI Life (1/2)

₹ billion	FY2017	Q1-2017	Q4-2017	Q1-2018
New business premium	78.63	12.59	25.60	20.34
Renewal premium	144.91	23.00	50.20	28.51
Total premium	223.54	35.60	75.79	48.85
Profit after tax	16.82	4.05	4.08	4.06
Assets under management	1,229.19	1,092.82	1,229.19	1,265.91
Annualized premium equivalent (APE)	66.25	10.12	21.67	17.04
Expense ratio[1]	15.1%	21.0%	13.5%	14.2%

The company continues to retain its market leadership among the private players with an overall market share of 15.3%[2] and private market share of 28.0%[2] in Q1-2018

1. All expenses (including commission) / (Total premium – 90% of single premium)
2. Source: IRDAI, Life insurance council; Retail weighted received premium basis

ICICI Bank

ICICI Life (2/2)

- Proportion of protection business increased from 3.9% in FY2017 to 4.5% in Q1-2018
- Value of New Business (VNB) margins[1] increased from 8.0% in FY2016 and 10.1% in FY2017 to 10.7% in Q1-2018
- Indian Embedded Value at ₹ 161.84 billion at March 31, 2017

1. Based on management forecast of cost for FY2018

ICICI Bank

ICICI General

Filed a draft red herring prospectus (DRHP) with the Securities and Exchange Board of India for a public offer representing approximately about 19% of its equity share capital, for cash, through an offer for sale of upto 7% by the Bank and upto 12% by Fairfax

Profit after tax of ₹ 2.15 bn in Q1-2018

Other subsidiaries

Profit after tax (₹ billion)	FY2017	Q1-2017	Q4-2017	Q1-2018
ICICI Prudential Asset Management	4.80	0.98	1.21	1.41
ICICI Securities Primary Dealership	4.12	0.76	(0.17)	0.66
ICICI Securities (Consolidated)	3.39	0.69	0.83	1.15
ICICI Venture	0.09	(0.03)	0.08	(0.01)
ICICI Home Finance	1.83	0.45	0.58	0.19

Slide 68

ICICI Bank

Overseas subsidiaries

ICICI Bank UK

USD million	FY2017	Q1-2017	Q4-2017	Q1-2018
Net interest income	65.6	17.5	15.9	16.0
Profit after tax	(16.1)	0.5	(20.5)	2.0
Loans and advances	2,362.4	2,687.2	2,362.4	2,364.8
Deposits	1,648.6	2,019.2	1,648.6	1,623.1
- Retail term deposits	*407.7*	*635.8*	*407.7*	*354.3*
Capital adequacy ratio	18.4%	17.9%	18.4%	17.5%
- Tier I	*15.5%*	*14.2%*	*15.5%*	*15.2%*

Asset and liability composition: slide 69

ICICI Bank Canada

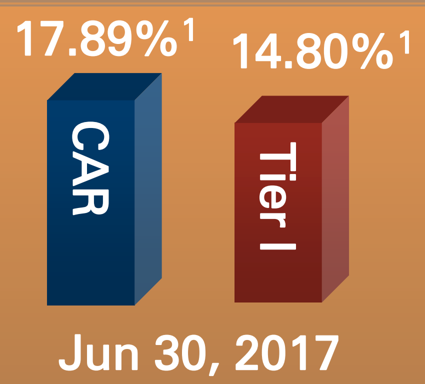
CAD million	FY2017	Q1-2017	Q4-2017	Q1-2018
Net interest income	77.2	20.8	18.1	18.8
Profit/(loss) after tax	(33.0)	0.9	6.2	11.9
Loans and advances	5,593.6	5,774.9	5,593.6	5,537.6
- Insured mortgages	*3,454.3*	*3,309.1*	*3,454.3*	*3,330.1*
Deposits	2,556.1	3,062.9	2,556.1	2,530.7
Capital adequacy ratio	21.8%	22.5%	21.8%	21.6%
- Tier I	*21.8%*	*22.5%*	*21.8%*	*21.6%*

Asset and liability composition: slide 70

Capital

Capital adequacy

Standalone



- 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 6.45% over the minimum requirement of 8.35% as per current RBI guidelines

Risk weighted assets declined by 0.9% y-o-y compared to 4.6% y-o-y growth in total assets

1. Including profits for Q1-2018

Capital adequacy ratios: slide 72

ICICI Bank

Sharp focus on strategic priorities: 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

Thank you

Balance sheet: assets

₹ billion	June 30, 2016	March 31, 2017	June 30, 2017	Y-o-Y growth
Cash & bank balances	387.31	757.13	425.10	9.8%
Investments	1,683.22	1,615.07	1,854.08	10.2%
- SLR investments	*1,184.59*	*1,085.40*	*1,327.39*	*12.1%*
- Equity investment in subsidiaries	*107.63*	*103.23*	*103.23*	*(4.1)%*
Advances	4,494.27	4,642.32	4,640.75	3.3%
Fixed & other assets	707.43	703.39	689.23	(2.6)%
- RIDF [1] and related	*269.45*	*241.13*	*236.67*	*(12.2)%*
Total assets	**7,272.23**	**7,717.91**	**7,609.16**	**4.6%**

Net investment in security receipts of asset reconstruction companies was ₹ 34.05 billion at June 30, 2017 (March 31, 2017: ₹ 32.86 billion)

1. Rural Infrastructure Development Fund

ICICI Bank

Equity investment in subsidiaries

₹ billion	June 30, 2016	March 31, 2017	June 30, 2017
ICICI Prudential Life Insurance	35.07	33.26	33.26
ICICI Bank Canada	25.31	22.73	22.73
ICICI Bank UK	18.05	18.05	18.05
ICICI Lombard General Insurance	13.81	13.81	13.81
ICICI Home Finance	11.12	11.12	11.12
ICICI Securities Limited	1.87	1.87	1.87
ICICI Securities Primary Dealership	1.58	1.58	1.58
ICICI AMC	0.61	0.61	0.61
ICICI Venture Funds Mgmt	0.05	0.05	0.05
Others	0.14	0.14	0.14
Total	**107.63**	**103.23**	**103.23**

Increasing share of retail loans: slide 8

Balance sheet: liabilities

₹ billion	June 30, 2016	March 31, 2017	June 30, 2017	Y-o-Y growth
Net worth	919.50	999.51	1,006.24[1]	9.4%
- Equity capital	*11.64*	*11.65*	*12.83*	*10.2%*
- Reserves	*907.86*	*987.86*	*993.42*	*9.4%*
Deposits	4,240.86	4,900.39	4,862.54	14.7%
- Savings	*1,382.15*	*1,718.38*	*1,699.50*	*23.0%*
- Current	*531.33*	*749.83*	*680.73*	*28.1%*
Borrowings[2,3]	1,740.95	1,475.56	1,414.60	(18.7)%
Other liabilities	370.92	342.45	325.78	(12.2)%
Total liabilities	**7,272.23**	**7,717.91**	**7,609.16**	**4.6%**

Credit/deposit ratio of 81.8% on the domestic balance sheet at June 30, 2017

1. Capital and reserves at June 30, 2017 reflect the change due to bonus shares issued by the Bank. Further, the reserves were also adjusted for the dividend paid.
2. Borrowings include preference shares amounting to 3.50 billion
3. Including impact of exchange rate movement

ICICI Bank

Composition of borrowings

₹ billion	June 30, 2016	March 31, 2017	June 30, 2017
Domestic	815.25	672.08	656.70
- Capital instruments[1]	354.68	345.90	285.47
- Other borrowings	460.57	326.17	371.16
- Long term infrastructure bonds	*133.50*	*172.55*	*191.87*
Overseas[2]	925.70	803.48	757.90
- Capital instruments	22.95	-	-
- Other borrowings	902.75	803.48	757.90
Total borrowings[2]	**1,740.95**	**1,475.56**	**1,414.60**

1. Includes preference share capital ₹ 3.50 billion
2. Including impact of exchange rate movement

Raised ₹ 21.47 billion long term infrastructure bonds in Q1-2018

Healthy funding mix maintained: slide 12

ICICI Bank

Extensive franchise

Branches	At Mar 31, 2015	At Mar 31, 2016	At Mar 31, 2017	At Jun 30, 2017	% share at Jun 30, 2017
Metro	1,011	1,159	1,287	1,286	**26.5%**
Urban	933	997	1,050	1,049	**21.6%**
Semi urban	1,217	1,341	1,442	1,445	**29.8%**
Rural	889	953	1,071	1,072	**22.1%**
Total branches	**4,050**	**4,450**	**4,850**	**4,852**	**100.0%**
Total ATMs	**12,451**	**13,766**	**13,882**	**13,780**	**-**

Healthy funding mix maintained: slide 12

ICICI Bank

ICICI Home Finance

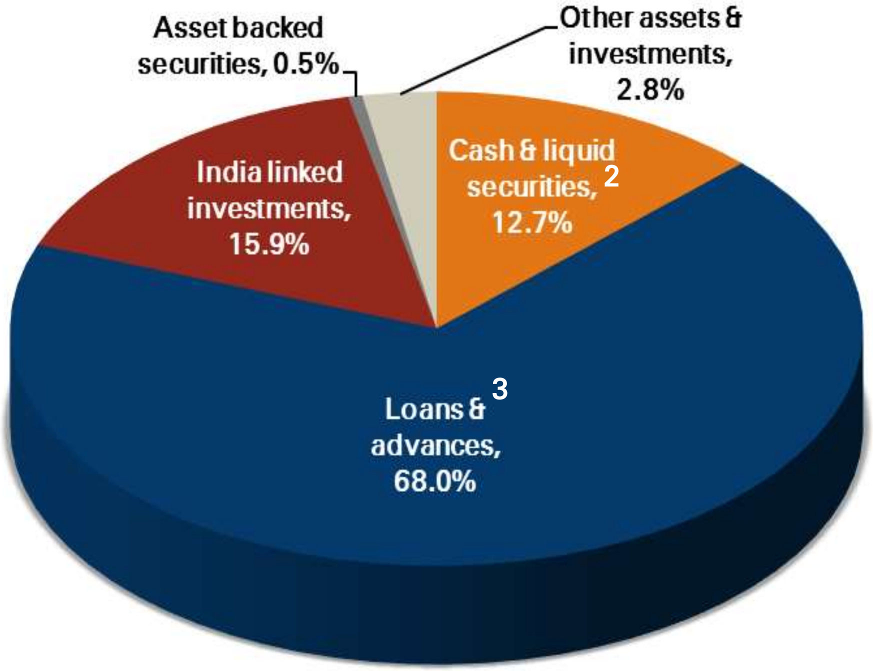
₹ billion	FY2017	Q1-2017	Q4-2017	Q1-2018
Loans and advances	89.73	88.73	89.73	91.26
Capital adequacy ratio	27.0%	26.4%	27.0%	25.9%
Net NPA ratio	0.75%	0.66%	0.75%	2.17%

The increase in net NPAs was due to certain corporate accounts

Other subsidiaries: slide 55

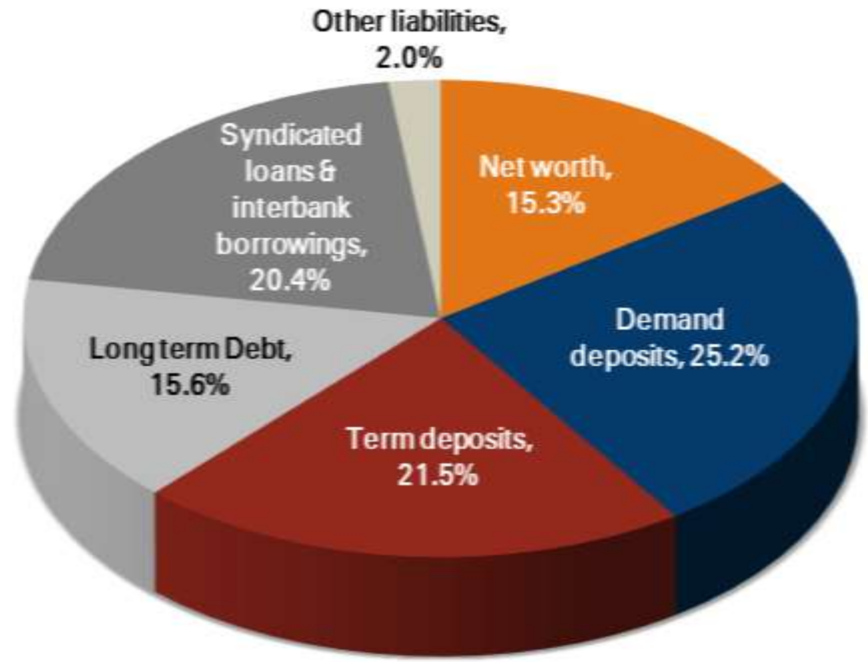
ICICI Bank UK[1]

Asset profile



Total assets: USD 3.5 bn

Liability profile



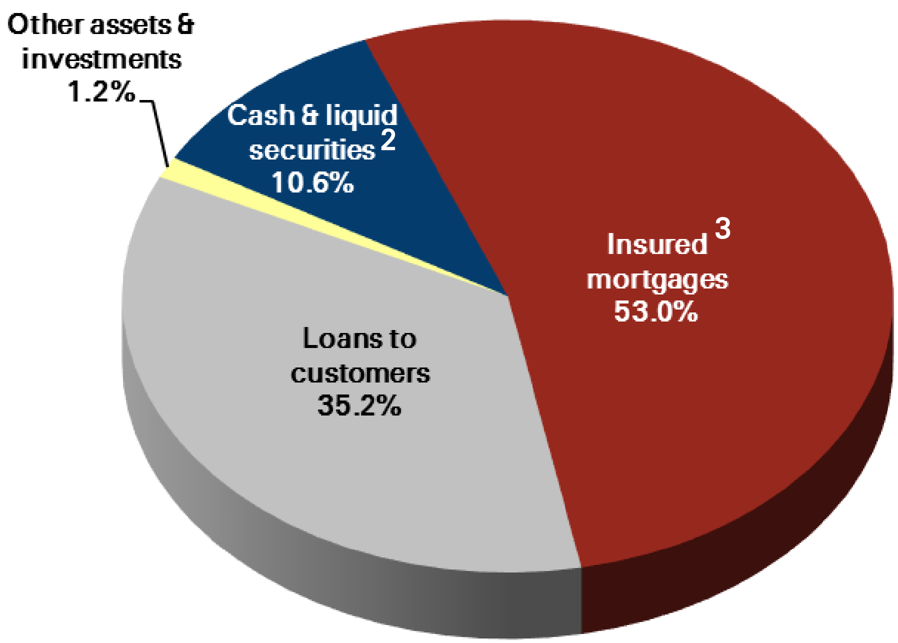
Total liabilities: USD 3.5 bn

1. At June 30, 2017
2. Includes cash & advances to banks, T Bills
3. Includes securities re-classified to loans & advances

ICICI Bank UK key performance highlights: slide 57

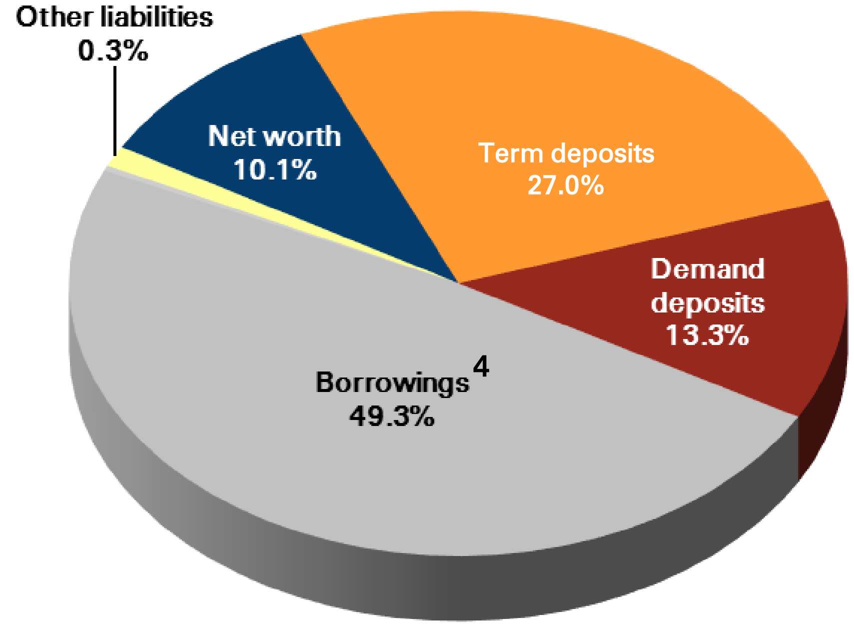
ICICI Bank Canada[1]

Asset profile



Total assets: CAD 6.3 bn

Liability profile



Total liabilities: CAD 6.3 bn

1. At June 30, 2017
2. Includes cash & placements with banks and government securities
3. Based on IFRS, securitised portfolio of CAD 3,130 mn considered as part of insured mortgage portfolio at June 30, 2017
4. As per IFRS, proceeds of CAD 3,093 mn from sale of securitised portfolio considered as part of borrowings at June 30, 2017

ICICI Bank Canada key performance highlights: slide 58

ICICI Bank

Consolidated balance sheet

₹ billion	June 30, 2016	March 31, 2017	June 30, 2017	Y-o-Y growth
Cash & bank balances	452.48	804.91	492.51	8.8%
Investments	3,030.08	3,045.02	3,380.94	11.6%
Advances	5,060.78	5,153.17	5,156.94	1.9%
Fixed & other assets	852.75	857.33	857.75	0.6%
Total assets	**9,396.09**	**9,860.43**	**9,888.14**	**5.2%**
Net worth[1]	967.14	1,046.32	1,058.80	9.5%
Minority interest	36.07	48.65	51.88	43.8%
Deposits	4,530.81	5,125.87	5,088.32	12.3%
Borrowings	2,213.00	1,882.87	1,865.19	(15.7)%
Liabilities on policies in force	1,023.58	1,154.97	1,189.97	16.3%
Other liabilities	625.49	601.75	633.98	1.4%
Total liabilities	**9,396.09**	**9,860.43**	**9,888.14**	**5.2%**

Key ratios (consolidated): slide 21

ICICI Bank

Capital adequacy (1/2)

Standalone Basel III	March 31, 2017		June 30, 2017[1]	
	₹ billion	%	₹ billion	%
Total capital	1,086.66	17.39%	1,089.38	17.69%
- Tier I	897.25	14.36%	898.42	14.59%
- of which: CET1	*858.39*	*13.74%*	*859.65*	*13.96%*
- Tier II	189.41	3.03%	190.96	3.10%
Risk weighted assets	6,248.02		6,157.63	
- On balance sheet	*5,344.11*		*5,316.02*	
- Off balance sheet	*903.91*		*841.61*	

1. In line with the applicable guidelines, the Basel III capital ratios reported by the Bank for the interim periods do not include profits for the period

Including the profits for Q1-2018, the standalone capital adequacy ratio for the Bank as per Basel III norms would have been 17.89% and the Tier I ratio would have been 14.80% at June 30, 2017

ICICI Bank

Capital adequacy (2/2)

Consolidated Basel III	March 31, 2017	June 30, 2017[1]
	%	%
Total capital	17.26%	17.33%
- Tier I	14.39%	14.44%
- Tier II	2.87%	2.89%

1. In line with the applicable guidelines, the Basel III capital ratios reported by the Bank for the interim periods do not include profits for the period

Including the profits for Q1-2018, the consolidated capital adequacy ratio for the Bank as per Basel III norms would have been 17.54% and the Tier I ratio would have been 14.66% at June 30, 2017

Capital adequacy: slide 60

ICICI Bank

Analyst call on July 27, 2017: opening remarks

Ms. Kochhar's opening remarks

Good evening to all of you.

Our Board has today approved the financial results of ICICI Bank for the quarter ended June 30, 2017.

The Bank continues to make progress on the strategic priorities outlined in our 4 x 4 Agenda covering Portfolio Quality and Enhancing Franchise.

I would like to highlight six key areas:

I. THE FIRST HIGHLIGHT IS OUR FOCUSED APPROACH TO GROWTH

1. The Bank has been following a focused approach to growth, in line with the objectives of improving the portfolio mix, through lending to retail and higher rated corporate borrowers, and reducing concentration risk.

2. The domestic loan growth was 10.9% year-on-year at June 30, 2017.
3. The retail loan growth was 18.6% year-on-year, with healthy growth across all the retail products. The proportion of retail

loans in the loan portfolio has increased from 46.4% at June 30, 2016 to 53.3% at June 30, 2017.

4. The SME portfolio grew by 18.4%.

5. In the domestic corporate portfolio, we focused on lending to higher rated corporates and saw healthy growth in this area. At the same time, we are focused on reducing the net advances classified as restructured or non-performing, or included in our drilldown list.

6. The loan portfolio of overseas branch declined by 25.0% on a year-on-year basis, reflecting the above approach to corporate lending as well as the repayment of FCNR deposit linked loans in fiscal 2017. The international loan portfolio has now reduced to 15% of our total loans, in line with our strategy of increasing the proportion of domestic loans in our portfolio.

II. THE SECOND HIGHLIGHT IS OUR STRONG RETAIL FRANCHISE

1. The strength of our retail franchise is demonstrated by the growth in loans, deposits and fee income.

2. As I mentioned earlier, the retail loan portfolio grew by 18.6% year-on-year and constituted 53.3% of total loans at June 30, 2017.

3. Current and savings account deposits grew by 24.4% year-on-year. The Bank's CASA ratio was 49.0%, and retail deposits were 76.1% of our total deposits at June 30, 2017.

4. The retail fee income grew by 17.6% year-on-year in Q1-2018.

III. THE THIRD HIGHLIGHT IS THE IMPROVING CORE INCOME AND EXPENSE TRENDS

1. The net interest income grew by 8.4% year-on-year to 55.90 billion Rupees in Q1 of 2018 from 51.59 billion Rupees in Q1 of 2017.

2. Fee income grew by 10.3% year-on-year in Q1-2018, driven by the growth in retail fees as I mentioned earlier.

3. The growth in operating expenses reduced to 12.5% year-on-year, compared to a 16.3% growth in FY2017.

4. The standalone profit after tax was 20.49 billion Rupees for Q1 of 2018 compared to 20.25 billion Rupees in Q4 of 2017 and 22.32 billion Rupees for Q1 of 2017. Profit after tax in Q1 of 2017 had included exchange rate gain related to overseas operations of 2.06 billion Rupees, which is no longer permitted to be accounted as income following the

RBI guideline issued in April 2017, and quarterly dividend of 2.04 billion Rupees from ICICI Life, which has moved to dividend payments on a half-yearly basis following its IPO in September last year.

5. Consolidated profit after tax grew by 25% sequentially from 20.83 billion Rupees for Q4 of 2017 to 26.05 billion Rupees for Q1 of 2018.

IV. THE FOURTH HIGHLIGHT IS THE IMPROVING ASSET QUALITY TRENDS

1. The gross additions to NPAs were 49.76 billion Rupees, the lowest in the last seven quarters.

2. During the quarter, the process of sale of cement business of a borrower, which was classified as non-performing in the preceding quarter, to a AAA rated company was concluded. Led by ICICI Bank, this is the largest asset resolution in the country so far. As we had indicated along with our Q4 results, part of the cement account has been upgraded due to the transfer of a part of the debt to a AAA rated company. As a result, the recoveries and upgrades were 27.75 billion Rupees in the quarter.

3. As a result, the net additions to gross NPAs were 22.01 billion Rupees.

4. The net NPAs declined during the quarter in absolute terms from 254.51 billion Rupees to 253.06 billion Rupees.

5. The net NPA ratio declined from 4.89% to 4.86%

V. THE FIFTH HIGHLIGHT IS OUR TECHNOLOGY LEADERSHIP

1. We continue to be at the forefront of offering technology-enabled services to our customers.

2. Our online banking functionality received the highest overall score in the 2017 India Online Banking Functionality Benchmark study conducted by Forrester. Further, our mobile banking application also received the highest overall score in the 2017 India Mobile Banking Functionality Benchmark study conducted by Forrester, for the second year in a row.

3. Debit and credit card transactions continued to grow at a healthy rate. The number and value of debit card transactions at point-of-sale terminals increased year-on-year by 81% and 83% respectively in Q1-2018. Credit card transactions increased year-on-year by 49% and 52% in terms of number and value respectively in Q1-2018.

4. Over 3.3 million Unified Payment Interface (UPI) Virtual Payment Addresses have been created using the Bank's mobile platforms till June 30, 2017.

5. The Bank had acquired over 130,000 merchants till June 30, 2017 on the Bank's 'Eazypay' mobile application for merchants.

6. Digital channels like internet, mobile banking, POS and call centre accounted for about 81% of the savings account transactions in Q1-2018.

VI. AND THE SIXTH HIGHLIGHT IS THE STRONG VALUE CREATION IN OUR SUBSIDIARIES

1. ICICI Life maintained its market leadership position among private players based on retail weighted received premium with a new business market share of 15.3% in Q1 of 2018 compared to 12.0% in FY2017. The new business margin has been continuously improving from 8.0% in FY2016 to 10.1% in FY2017 and further to 10.7% in Q1 of 2018.

2. ICICI General had a profit after tax of 2.14 billion Rupees in Q1 of 2018. ICICI General has filed a draft red herring prospectus with the Securities and Exchange Board of India for a public offer of equity shares of ICICI General, representing approximately 19.0% of its equity share

capital, through an offer for sale of up to 7% by the Bank and 12% by Fairfax.

3. The profit after tax of ICICI AMC increased by 43.9% year-on-year to 1.41 billion Rupees in Q1 of 2018. With average assets under management of about 2.6 trillion Rupees for the quarter, ICICI AMC continues to be the largest mutual fund in India.

4. The profit after tax of ICICI Securities was at 1.15 billion Rupees in Q1 of 2018 compared to 0.69 billion Rupees in Q1 of 2017. ICICI Securities continues to be the largest online retail broking platform in India.

We believe that we are well positioned to leverage the growth opportunities in the coming years given our strong deposit franchise, robust capital levels and significant value in our subsidiaries. We will continue to make investments to further strengthen our franchise and work towards resolution and reduction of stressed exposures.

I will now hand the call over to Kannan.

I will talk about our performance on growth and credit quality. I will then talk about the P&L details, subsidiaries and capital.

A. Growth

The overall domestic loan growth was 10.9% on a year-on-year basis. Loan growth for the Bank was driven by the retail segment. Within the retail portfolio, the mortgage and auto loan portfolios grew by 17% and 14% year-on-year respectively. Growth in the business banking and rural lending segments was 19% and 22% year-on-year respectively. Commercial vehicle and equipment loans grew by 13% year-on-year. The unsecured credit card and personal loan portfolio grew by 39% year-on-year to 231.80 billion Rupees and was about 5.0% of the overall loan book as of June 30, 2017. We continue to grow the unsecured credit card and personal loan portfolio primarily driven by a focus on cross-sell to our existing customers.

The domestic corporate portfolio decreased by 2.8% year-on-year. We continue to focus on lending to better rated clients and work towards reducing exposures in sectors impacted by the challenging operating environment. If we exclude NPAs, restructured loans and loans to companies included in drilldown exposures, there was a growth in the domestic corporate portfolio. The SME portfolio grew by 18.4% year-on-year and constituted 4.5% of total loans as of June 30, 2017.

The net advances of the overseas branches decreased by 25.0% year-on-year in rupee terms and 22.0% year-on-year in US dollar terms as of June 30, 2017.

Coming to the funding side: total deposits grew by 14.7% year-on-year to 4.86 trillion Rupees as of June 30, 2017. On a period-end basis, current and savings account deposits grew by 24.4% year-on-year. On a daily average basis, current and savings account deposits grew by 25.4% year-on-year in Q1 of 2018. On a daily average basis, the CASA ratio was 45.4% in Q1 of 2018.

B. Credit Quality

NPA additions declined in Q1 of 2018 to 49.76 billion Rupees. The gross additions to NPAs of 40.97 billion rupees in the corporate and SME segment in Q1 of 2018 included slippages of 14.76 billion Rupees from restructured loans; slippages of 3.59 billion Rupees out of loans to companies internally rated below investment grade in key sectors; and devolvement of non-fund based exposure of 1.24 billion Rupees relating to accounts classified as non-performing in prior periods. These three categories constituted about 48% of the corporate & SME NPA additions in Q1 of 2018. The balance slippage largely represents one account in the electronics & engineering sector.

The retail portfolio had gross NPA additions of 8.79 billion Rupees and recoveries & upgrades of 3.29 billion Rupees during Q1 of 2018. As of March 31, 2017, loans aggregating 2.23 billion Rupees were not classified as non-performing based on the demonetisation-related dispensation given by RBI. These accounts partly slipped into the non-performing category in Q1 of 2018. Excluding these loans, the additions to retail NPAs were in line with the trends in previous quarters.

During the quarter, aggregate deletions from NPA due to recoveries and upgrades were 27.75 billion Rupees. The Bank sold one SMA-2 loan aggregating to 1.67 billion Rupees to an asset reconstruction company during the quarter.

The Bank's net non-performing asset ratio decreased from 4.89% as of March 31, 2017 to 4.86% as of June 30, 2017.

The net restructured loans were at 23.70 billion Rupees, about 0.5% of net advances, as of June 30, 2017 compared to 42.65 billion Rupees as of March 31, 2017.

While announcing our results for the quarter ended March 31, 2016, we had stated that there were continued uncertainties in respect of certain sectors due to the weak global economic environment, sharp downturn in the commodity cycle, gradual nature of the domestic economic recovery and high leverage. The key sectors identified in this context were power, iron & steel, mining, cement and rigs. The Bank had reported its exposure, comprising both fund based limits and non-fund based outstanding to companies in these sectors that were internally rated below investment grade across the domestic corporate, SME and international branches portfolios; and to promoter entities internally rated below investment grade where the underlying partly relates to these sectors. The aggregate fund based limits and non-fund based outstanding to companies that were internally rated below investment grade in these sectors and promoter entities, decreased from 440.65 billion Rupees as of March 31, 2016 to 190.39 billion Rupees as of March 31, 2017 and subsequently increased to 203.58 billion Rupees as of June 30, 2017. On slide 42 of the presentation, we have provided the movement in these exposures between March 31, 2017 and June 30, 2017.

- There was a net increase in exposure of 2.59 billion Rupees.
- There were rating downgrades of exposures aggregating to 14.20 billion Rupees to ‘below investment grade’ during the quarter. The downgrades were largely on account of a Supreme Court judgement with respect to an account in the power sector. Of this exposure, 5/25 refinancing had been implemented in respect of loans of about 7.52 billion Rupees prior to March 31, 2017, which was reflected in our disclosures on 5/25 refinancing as of March 31, 2017.
- There was a reduction of 3.59 billion Rupees due to classification of certain borrowers as non-performing.

The Bank continues to work on the balance exposures. However, it may take time for these resolutions given the challenges in the operating and recovery environment. We will continue to focus on maximising the Bank’s economic recovery and finding optimal solutions.

The exposure to companies internally rated below investment grade in key sectors and promoter entities of 203.58 billion Rupees excludes net exposure of 4.55 billion Rupees to a central public sector owned undertaking engaged in gas-based power generation. This has been highlighted in the footnote on slide number 41 and 42 of the presentation.

The exposure to companies internally rated below investment grade in key sectors and promoter entities of 203.58 billion Rupees includes non-fund based outstanding in respect of accounts in this portfolio where the fund based outstanding has been classified as non-performing. Apart from this, the non-fund based outstanding to borrowers classified as non-performing was 21.35 billion Rupees as of June 30, 2017 compared to 19.32 billion Rupees as of March 31, 2017. The aggregate non-fund based outstanding to companies in the restructured portfolio was 5.15 billion Rupees as of June 30, 2017 compared to 16.87 billion Rupees as of March 31, 2017.

As of June 30, 2017, the Bank had outstanding performing loans of 38 billion Rupees where Strategic Debt Restructuring - SDR - had been implemented. In comparison, the Bank had implemented SDR for loans of 52 billion Rupees as of March 31, 2017. The decrease in Q1 of 2018 mainly reflects the end of the standstill period for certain cases where SDR was implemented, resulting in their classification as non-performing. Of the SDR loans of 38 billion Rupees as of June 30, 2017, about 30 billion Rupees were loans already classified as restructured or to companies that were internally rated below investment grade in the key sectors mentioned above.

In addition, SDR had been invoked and was pending implementation for standard loans of 7 billion Rupees as of June 30, 2017 compared to about 12 billion Rupees as of March 31, 2017. Of this 7 billion Rupees, 0.17 billion Rupees were loans already classified as restructured or to companies that were internally rated below investment grade in the key sectors mentioned above.

The Bank has implemented a change in management outside of the SDR scheme for loans of about 55 billion Rupees. Further, the Bank is also implementing a change in management outside of the SDR scheme for loans of about 1 billion Rupees. All these loans are all already part of the internally rated below investment grade exposures in the key sectors mentioned above.

The outstanding portfolio of standard loans for which refinancing under the 5/25 scheme has been implemented, excluding exposure to a central public sector owned undertaking engaged in gas-based power generation, was about 27 billion Rupees as of June 30, 2017, at a similar level compared to March 31, 2017. Of the above, about 25 billion Rupees were loans to companies that were internally rated below investment grade in the key sectors mentioned above.

As of June 30, 2017, the Bank had outstanding performing loans of 4 billion Rupees where the scheme for sustainable structuring of stressed assets, or S4A, had been implemented compared to 3 billion Rupees at March 31, 2017. Of the S4A loans of 4 billion Rupees as of June 30, 2017, about 1 billion Rupees were loans already classified as restructured or to companies that were internally rated below investment grade in the key sectors mentioned above.

Provisions were 26.09 billion Rupees in Q1 of 2018 compared to 28.98 billion Rupees in the preceding quarter. The provisioning coverage ratio on non-performing loans, including cumulative technical/prudential write-offs was 55.2%.

During the quarter, RBI advised banks to initiate insolvency resolution process in respect of 12 accounts under the provisions of Insolvency and Bankruptcy Code, 2016 and also required banks to make higher provisions for these accounts during the year. RBI has allowed banks to spread this additional provision over three quarters starting Q2 of 2018. The Bank at June 30, 2017 had outstanding loans to these borrowers amounting to 68.89 billion Rupees. The non-fund outstanding to these borrowers were 3.51 billion Rupees. The Bank at June 30, 2017, holds a provision of 28.28 billion Rupees against these outstanding loans, which amounts to 41.04% provision coverage in respect of outstanding loans to these borrowers. The Bank is required to make an additional provision of about 6.47 billion Rupees over the next three quarters as advised by RBI, in addition to the provisions to be made as per the existing RBI guidelines.

On April 18, 2017, RBI through its circular advised that the provisioning rates prescribed as per the prudential norms circular are the regulatory minimum and banks are encouraged to make provisions at higher rates in respect of advances to stressed sectors of the economy and had specifically highlighted the telecom sector. During fiscal 2016, the Bank had identified certain sectors, as having been adversely impacted due to the weak global environment, sharp downturn in the commodity cycle and gradual nature of domestic economic recovery. Accordingly, during Q1 of 2018, the Bank as per its Board approved policy has made an additional general provision amounting to 1.60 billion Rupees on standard loans to borrowers rated below a certain rating threshold in the telecom, power, iron & steel, mining and rigs sectors, other than loans where specific provision has been made in accordance with RBI guidelines. The Bank's exposure to the telecom sector was about 1.5% of its total exposure at June 30, 2017.

C. P&L Details

The net interest margin was at 3.27% in Q1 of 2018 compared to 3.57% in Q4 of 2017 and 3.16% in Q1 of 2017. The domestic NIM was at 3.62% in Q1 of 2018 compared to 3.96% in Q4 of 2017 and 3.45% in Q1 of 2017. International margins were at 0.73% in Q1 of 2018 compared to 1.01% in Q4 of 2017 and 1.65% in Q1 of 2017.

There was interest on income tax refund of 1.77 billion Rupees in Q1 of 2018 compared to 2.00 billion Rupees in Q4 of 2017 and 0.01 billion Rupees in Q1 of 2017. As communicated on our previous analyst call in May 2017, margins in Q4 of 2017 were positively impacted by higher collection from NPAs. During Q1 of 2018, the margin was impacted by migration of loans to MCLR linked benchmark, repricing of loans and lower yield on incremental lending.

Total non-interest income was 33.88 billion Rupees in Q1 of 2018 compared to 34.29 billion Rupees in Q1 of 2017.

- Fee income grew by 10.3% year-on-year in Q1 of 2018 with retail fee income growth of 17.6% year-on-year. Growth in retail fees was driven by fees relating to credit cards fees and forex fees. Retail fees constituted 73% of overall fees in Q1 of 2018.

- Treasury recorded a profit of 8.58 billion Rupees in Q1 of 2018 compared to 7.68 billion Rupees in Q1 of 2017.

- Other income was 1.53 billion Rupees in Q1 of 2018 compared to 5.05 billion Rupees in Q1 of 2017. Other income was higher in Q1 of 2017 due to exchange rate gains relating to overseas operations and dividend from ICICI Life as mentioned earlier on the call.

On Costs: the Bank's cost-to-income ratio was at 42.3% in Q1 of 2018. Operating expenses increased by 12.5% year-on-year, compared to a 16.3% growth in fiscal 2017. The Bank added about 1,300 employees during the quarter and had 84,140 employees as of June 30, 2017. We continue to focus on productivity and cost efficiency, and would target further moderation in cost growth during the year.

The Bank's standalone profit before provisions and tax was 51.84 billion Rupees in Q1 of 2018 compared to 51.12 billion Rupees in the preceding quarter and 52.15 billion Rupees in the corresponding quarter last year.

I have already discussed the provisions for the quarter.

The Bank's standalone profit after tax was 20.49 billion Rupees in Q1 of 2018 compared to 20.25 billion Rupees in the preceding quarter and 22.32 billion Rupees in the corresponding quarter last year.

D. Subsidiaries

We have discussed the performance of domestic subsidiaries earlier on the call.

The Bank's total equity investment in ICICI Bank UK and ICICI Bank Canada has reduced from 11.0% of its net worth at March 31, 2010 to 4.0% at June 30, 2017.

ICICI Bank Canada had a profit after tax of 11.9 million Canadian dollars in Q1 of 2018 compared to 0.9 million Canadian dollars in Q1 of 2017. ICICI Bank Canada's total assets were 6.28 billion Canadian Dollars and loans and advances were 5.53 billion Canadian Dollars as of June 30, 2017. The capital adequacy ratio of ICICI Bank Canada was 21.6% at June 30, 2017.

ICICI Bank UK had a profit after tax of 2.0 million US dollars in Q1 of 2018 compared to 0.5 million US dollars in Q1 of 2017. ICICI Bank UK's total assets were 3.48 billion US Dollars as of June 30, 2017. Loans and advances were 2.36 billion US Dollars as of June 30, 2017. The capital adequacy ratio of ICICI Bank UK was 17.5% as of June 30, 2017.

As mentioned earlier, the consolidated profit after tax was 26.05 billion Rupees in Q1 of 2018 compared to 25.16 billion Rupees in corresponding quarter last year and 20.83 billion Rupees in the preceding quarter.

E. Capital

The Bank had a Tier 1 capital adequacy ratio of 14.80% and total standalone capital adequacy ratio of 17.89%, including profits for Q1 of 2018. The Bank's consolidated Tier 1 capital adequacy ratio and the total consolidated capital adequacy ratio, including profits for Q1 of 2018, were 14.66% and 17.54% respectively. The capital ratios are significantly higher than regulatory requirements.

To sum up, during Q1 of 2018 the Bank:

1. Sustained growth in retail loans;
2. Maintained a healthy funding mix;
3. Continued to focus on selective lending opportunities;
4. Progressed on resolution & recovery in the corporate segment; and
5. Continued to focus on cost efficiency and capital efficiency.

The Bank's pre-provisioning earnings, capital position and value created in its subsidiaries give the Bank the ability to absorb the impact of challenges in the operating and recovery environment for the corporate business while driving growth in identified areas of opportunity.

We will now be happy to take your questions.