ICICI Bank Limited
ICICI Bank Towers
Bandra Kurla Complex
Mumbai 400 051

News Release **October 30, 2014**

Performance Review: Quarter ended September 30, 2014

- **15% year-on-year increase in standalone profit after tax to ₹ 2,709 crore (US$ 439 million) for the quarter ended September 30, 2014 (Q2-2015) from ₹ 2,352 crore (US$ 381 million) for the quarter ended September 30, 2013 (Q2-2014)**
- **Operating profit increased by 21% to ₹ 4,698 crore (US$ 761 million) for Q2-2015 from ₹ 3,888 crore (US$ 630 million) for Q2-2014**
- **25% year-on-year increase in retail advances at September 30, 2014**
- **Year-on-year growth of 15% in current and savings account (CASA) deposits; CASA ratio improved to 43.7% at September 30, 2014**
- **Net interest margin improved to 3.42% in Q2-2015 compared to 3.31% in Q2-2014**
- **Total capital adequacy of 17.41% and Tier-1 capital adequacy of 12.75% at September 30, 2014, including profits for the half year ended September 30, 2014**
- **14% year-on-year increase in consolidated profit after tax to ₹ 3,065 crore (US$ 496 million) for Q2-2015 from ₹ 2,698 crore (US$ 437 million) for Q2-2014**

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, 2014.

Profit & loss account

- Standalone profit after tax increased by 15% to ₹ 2,709 crore (US$ 439 million) for the quarter ended September 30, 2014 (Q2-2015) from ₹ 2,352 crore (US$ 381 million) for the quarter ended September 30, 2013 (Q2-2014).
- Net interest income increased 15% to ₹ 4,657 crore (US$ 754 million) in Q2-2015 from ₹ 4,044 crore (US$ 655 million) in Q2-2014.
- Non-interest income increased by 26% to ₹ 2,738 crore (US$ 443 million) in Q2-2015 from ₹ 2,166 crore (US$ 351 million) in Q2-2014.

- Cost-to-income ratio was at 36.5% in Q2-2015 compared to 37.3% in Q2-2014 and 38.4% in Q1-2015.
- Provisions were at ₹ 850 crore (US$ 138 million) in Q2-2015 compared to ₹ 625 crore (US$ 101 million) in Q2-2014 and ₹ 726 crore (US$ 118 million) in Q1-2015.
- Consolidated profit after tax increased by 14% to ₹ 3,065 crore (US$ 496 million) for Q2-2015 from ₹ 2,698 crore (US$ 437 million) for Q2-2014.

Operating review

The Bank has continued with its strategy of pursuing profitable growth. The Bank continued to grow its retail franchise and has seen healthy growth in retail assets and deposits. The Bank continued to strengthen its deposit franchise with healthy mobilisation of current and savings account (CASA) deposits, leveraging its increased branch network and technology initiatives. During the quarter, the Bank added 52 branches and 292 ATMs to its network. At September 30, 2014, the Bank had 3,815 branches, of which 450 branches were low cost branches in hitherto unbanked rural areas. The Bank continues to have the largest branch network among private sector banks in the country. The Bank had a presence in over 2,300 centers at September 30, 2014. The Bank's ATM network increased to 11,739 ATMs at September 30, 2014 compared to 11,098 at September 30, 2013. The Bank also continued to strengthen its technology channels for increasing customer convenience. During the quarter, the Bank launched six next generation mobile banking apps. The new apps include features using which customers can access loan account details, track status of dispatches, initiate transactions before visiting a branch, connect with a service executive over video call and view transactions on their mobile phones. The Bank also has the highest market share among banks in India in terms of value of transactions through mobile banking.

Credit growth

Total advances increased by 14% year-on-year to ₹ 361,757 crore (US$ 58.6 billion) at September 30, 2014 from ₹ 317,786 crore (US$ 51.5 billion) at September 30, 2013. The year-on-year growth in domestic advances was 15%. The Bank has continued to see healthy growth in its retail disbursements resulting in a year-on-year growth of 25% in the retail portfolio at September 30, 2014. The retail portfolio constituted 40% of the loan portfolio of the Bank at September 30, 2014.

Deposit growth

The Bank has seen healthy trends in current and savings account (CASA) deposits mobilisation. During Q2-2015, savings account deposits increased by ₹ 2,871 crore (US$ 465 million) and current account deposits increased by ₹ 6,440 crore (US$ 1.0 billion). The Bank's CASA ratio improved to 43.7% at September 30, 2014 from 43.0% at June 30, 2014. The average CASA ratio for Q2-2015 remained stable at 39.5%. Total deposits increased by 14% year-on-year to ₹ 352,055 crore (US$ 57.0 billion) at September 30, 2014.

Capital adequacy

The Bank's capital adequacy at September 30, 2014 as per Reserve Bank of India's guidelines on Basel III norms was 16.64% and Tier-1 capital adequacy was 11.98%, well above regulatory requirements. In line with applicable guidelines, the Basel III capital ratios reported by the Bank for September 30, 2014 do not include the profits for the half year ended September 30, 2014 (H1-2015). Including the profits for H1-2015, the capital adequacy ratio for the Bank as per Basel III norms would have been 17.41% and the Tier I ratio would have been 12.75%.

Asset quality

Net non-performing assets at September 30, 2014 were ₹ 3,997 crore (US$ 647 million) compared to ₹ 3,474 crore (US$ 563 million) at June 30, 2014 and ₹ 2,707 crore (US$ 438 million) at September 30, 2013. The net non-performing asset ratio was 0.96% at September 30, 2014 compared to 0.87% at June 30, 2014 and 0.73% at September 30, 2013. The Bank's provision coverage ratio, computed in accordance with RBI guidelines, was 65.9% at September 30, 2014. Net loans to companies whose facilities have been restructured were ₹ 11,020 crore (US$ 1.8 billion) at September 30, 2014 compared to ₹ 11,265 crore (US$ 1.8 billion) at June 30, 2014 and ₹ 6,826 crore (US$ 1.1 billion) at September 30, 2013.

Consolidated results

Consolidated profit after tax increased by 14% to ₹ 3,065 crore (US$ 496 million) for Q2-2015 from ₹ 2,698 crore (US$ 437 million) for Q2-2014. The annualised consolidated return on equity was 15.1% in Q2-2015.

Insurance subsidiaries

ICICI Prudential Life Insurance Company's (ICICI Life) profit after tax for Q2-2015 was ₹ 399 crore (US$ 65 million) compared to ₹ 387 crore (US$ 63 million) for Q2-2014. ICICI Life's annualised premium equivalent (APE) was ₹ 1,197 crore (US$ 194 million) in Q2-2015 compared to ₹ 954 crore (US$ 154 million) in Q2-2014. During Q2-2015, ICICI Life has seen an increase in its assets under management to ₹ 90,726 crore (US$ 14.7 billion) at September 30, 2014 compared to ₹ 73,976 crore (US$ 12.0 billion) at September 30, 2013 and ₹ 86,110 crore (US$ 13.9 billion) at June 30, 2014.

ICICI Lombard General Insurance Company (ICICI General) maintained its leadership in the private sector. The gross premium income of ICICI General was ₹ 1,638 crore (US$ 265 million) in Q2-2015 compared to ₹ 1,701 crore (US$ 275 million) in Q2-2014. ICICI General's profit after tax for Q2-2015 was stable at ₹ 158 crore (US$ 26 million) compared to ₹ 156 crore (US$ 25 million) in Q2-2014.

ICICI Bank Limited
ICICI Bank Towers
Bandra Kurla Complex
Mumbai 400 051

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

₹ crore

	FY2014	Q1-2014	Q2-2014	H1-2014	Q1-2015	Q2-2015	H1-2015
Net interest income	**16,475**	**3,820**	**4,044**	**7,864**	**4,492**	**4,657**	**9,149**
Non-interest income	**10,428**	**2,484**	**2,166**	**4,651**	**2,850**	**2,738**	**5,588**
- Fee income	*7,758*	*1,793*	*1,994*	*3,787*	*1,936*	*2,103*	*4,039*
- Lease and other income[1]	*1,653*	*288*	*251*	*540*	*526*	*498*	*1,024*
- Treasury income	*1,017*	*403*	*(79)*	*324*	*388*	*137*	*525*
Less:							
Operating expense	10,309	2,490	2,322	4,813	2,825	2,697	5,522
Operating profit	**16,594**	**3,814**	**3,888**	**7,702**	**4,517**	**4,698**	**9,215**
Less: Provisions	2,626	593	625	1,218	726	850	1,576
Profit before tax	**13,968**	**3,221**	**3,263**	**6,484**	**3,791**	**3,848**	**7,639**
Less: Tax[2]	4,158	947	911	1,858	1,136	1,139	2,275
Profit after tax	**9,810**	**2,274**	**2,352**	**4,626**	**2,655**	**2,709**	**5,364**

1. *Includes foreign exchange gain on repatriation of retained earnings from overseas branches of ₹ 222 crore in FY2014, ₹ 103 crore in Q1-2015 and ₹ 165 crore in Q2-2015.*
2. *The Bank creates Special Reserve through appropriation of profits, in order to avail tax deduction as per Section 36(1)(viii) of the Income Tax Act, 1961. The Reserve Bank of India (RBI), through its circular dated December 20, 2013, had advised banks to create deferred tax liability (DTL) on the amount outstanding in Special Reserve, as a matter of prudence. In accordance with RBI guidelines, during the year ended March 31, 2014 the Bank created DTL of ₹ 1,419 crore on Special Reserve outstanding at March 31, 2013, by reducing the reserves. Further, DTL of ₹ 88 crore and ₹ 95 crore has been created for the three months ended September 30, 2014 (September 30, 2013: Nil) and three months ended June 30, 2014 respectively on the estimated amount to be transferred to Special Reserve and DTL of ₹ 304 crore was created for the year ended March 31, 2014 on the amount transferred to Special Reserve. Accordingly, the tax expense for the three months ended September 30, 2014, three months ended June 30, 2014 and year ended March 31, 2014 is higher by ₹ 88 crore (September 30, 2013: Nil), ₹ 95 crore and ₹ 304 crore respectively.*
3. *Prior period figures have been regrouped/re-arranged where necessary.*

ICICI Bank Limited
ICICI Bank Towers
Bandra Kurla Complex
Mumbai 400 051

Summary Balance Sheet

₹ crore

	September 30, 2013 (Audited)	March 31, 2014 (Audited)	June 30, 2014 (Audited)	September 30, 2014 (Audited)
Capital and Liabilities				
Capital	1,154	1,155	1,156	1,157
Employee stock options outstanding	6	7	7	7
Reserves and surplus	71,943	72,052	74,736	77,713
Deposits	309,046	331,914	335,767	352,055
Borrowings (includes subordinated debt)[1]	145,356	154,759	145,946	150,349
Other liabilities	36,003	34,755	30,743	29,862
Total Capital and Liabilities	**563,508**	**594,642**	**588,355**	**611,143**
Assets				
Cash and balances with Reserve Bank of India	18,751	21,822	20,256	19,211
Balances with banks and money at call and short notice	14,830	19,708	21,945	28,167
Investments	168,829	177,022	170,153	173,591
Advances	317,786	338,703	347,067	361,757
Fixed assets	4,611	4,678	4,671	4,678
Other assets	38,701	32,709	24,263	23,739
Total Assets	**563,508**	**594,642**	**588,355**	**611,143**

1. *Borrowings include preference share capital of ₹ 350 crore.*
2. *Prior period figures have been regrouped/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.

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, our rural expansion, our exploration of merger and acquisition opportunities, our ability to integrate recent or future 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 following our rapid international growth, future levels of impaired loans, our growth and expansion in domestic and overseas markets, the adequacy of our allowance for credit and investment losses, technological changes, investment income, 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 bond and loan market conditions and availability of liquidity amongst the investor community in these markets, the nature or level of credit spreads, 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.

For further press queries please call Sujit Ganguli at 91-22-2653 8525 or email ganguli.sujit@icicibank.com.

For investor queries please call Rakesh Mookim at 91-22-2653 6114 or email ir@icicibank.com.

1 crore = 10.0 million

US$ amounts represent convenience translations at US$1= ₹ 61.75